



National War Labour Board

Proceedings  
Labour Relations and Wage Conditions in  
Canada  
No. 1-3





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# NATIONAL WAR LABOUR BOARD

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## PROCEEDINGS

Official Report

No. 7

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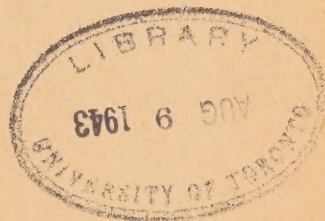
SUBJECT:

### Labour Relations and Wage Conditions in Canada

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HEARING: OTTAWA

DATE: MAY 28, 1943



OTTAWA  
EDMOND CLOUTIER  
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY  
1943





## NATIONAL WAR LABOUR BOARD

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### LABOUR RELATIONS AND WAGE CONDITIONS IN CANADA

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Proceedings of Public Inquiry held in the Board Room of the Board of Transport Commissioners for Canada, Union Station, Ottawa, on Friday, May 28, 1943, commencing at 10.30 a.m.

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#### PRESENT:

The Hon. Mr. Justice C. P. McTague, J.A., Chairman  
Mr. J. L. Cohen, K.C., Member of the Board  
Mr. Léon Lalande, Member of the Board  
Mr. D. G. Pyle, Secretary

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#### APPEARANCES:

T. Buck.....	Dominion Communist Labour Total War Committee.
Evariste Dube.....	Chairman, Quebec Committee, Dominion Communist Labour Total War Committee.
Norman Freed.....	Secretary, Dominion Communist Labour Total War Committee.
Adrien Villeneuve.....	Grand Lodge Representative, International Association of Machinists.
Irving Burman.....	Lodge 712, International Association of Machinists.
R. H. Carlin.....	Board Member, International Union of Mine, Mill & Smelter Workers, District 8.
James Russell.....	Field Representative, International Union of Mine, Mill & Smelter Workers, District 8.
R. L. Beattie.....	Vice President and General Manager, International Nickel Company.
T. D. Delamere.....	Counsel, International Nickel Company.



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(Hearing of May 28, 1943)

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# National War Labour Board

FRIDAY, May 28, 1943: 10.30 a.m.

Pursuant to adjournment the hearing was resumed at 10.30 a.m., Friday, May 28, 1943.

The CHAIRMAN: Will you proceed, Mr. Buck?

Mr. BUCK: We were just about to start, Mr. Chairman, on page 41, on the subject of the need for a comprehensive Dominion labour code:

## *The Need for a Comprehensive Dominion Labour Code*

There is an urgent need for careful but thoroughgoing revision of existing Dominion labour legislation and administrative practice if these are to become constructive factors in the promotion of harmonious labour relations and uninterrupted production. The question before us is not so much whether there should be a change, but as to the direction and form of change that will strengthen our national war effort to-day and provide a basis for orderly relations between labour and employers in the post-war period.

An indication of the need for revision of administrative practice, in labour legislation is to be seen in the fact that, in addition to the numerous provincial laws and regulations, there are currently operative thirty or more Dominion enactments pertaining to the regulation of wages and labour relations. There is disparity between some of the terms of these enactments and, further, it appears that certain orders in council pertaining to labour relations are of an advisory character only, e.g., P.C. 2685, while others are mandatory. The net result is an element of confusion.

An indication of the need for revision of administrative practice, in one sphere at least, is to be seen in the fact that organized labour has come to view the present methods of the Dominion Department of Labour as little more than an elaborate system of measures to ensure delay.

What is needed is revision of the wage control policy on the lines suggested earlier in this brief. Fifty-five cents per hour and twenty-five dollars per week should be established as a floor beneath which wage-control regulations do not operate. Every worker should be entitled to the full cost of living bonus. The standard of prevailing rates in the locality should be abolished from national wage regulations.

The CHAIRMAN: I wonder, Mr. Buck, whether you have made any estimate of the number of workers that would be involved in a cost of living bonus revision such as you suggest, and what the amount might be in dollars weekly? I have asked that several times, but it seems pretty difficult to get anything like that.

Mr. BUCK: I must confess, sir, I have not been able to do that. First of all I have no means of finding out just how many workers were getting what. The nearest I can estimate on the basis of local observation is that at least two-thirds—

The CHAIRMAN: Yes; I noticed you said that.

Mr. BUCK: I know that is very rough; it is just a guess. I do not deny the fact that equalization of the cost of living bonus would mean several millions of dollars per week—that is obvious. At the same time the utter inequality of the lowest paid worker getting the lowest amount of cost of living bonus is a stumbling block that could not be overcome on the basis of the argument that



it would cost more or too much to give them the full cost of living bonus. If the principle of cost of living bonus is correct—and I believe it is if wages are not to be adjusted in accordance with the changed conditions of production—then that principle must apply equally to the low paid workers and the high paid workers.

Mr. COHEN: It comes down to this, doesn't it: There are many factors involved in advancing the war effort. We are spending large sums of money, literally running into hundreds of millions of dollars, and we do not know how many more hundreds of millions we shall have to spend. We shall have to continue to spend until the job is done, because it is needed. I suppose in the same sense one must estimate the extent to which it is necessary to increase the wages of sub-standard workers or to establish a proper uniform basis of bonus in order to promote the war effort. Even if we cannot at this point estimate the cost, we are in no worse position with respect to that contribution to the war effort than we are with respect to any other purposes for which we are spending money in order to defeat the enemy.

Mr. BUCK: That is true.

Mr. COHEN: You cannot form an estimate of how much we are going to have to continue to spend on purposes which are perhaps useless in relation to the post-war period, on factories that may be unused in relation to post-war purposes, or on munitions which obviously, apart from the destruction that they accomplish with respect to the enemy, will not leave any remnant of either capital goods or consumer goods. No one can place an estimate on that sort of thing.

Mr. BUCK: That is perfectly true, Mr. Cohen. There is of course the other consideration, and in my opinion it is the principal consideration, that the government is asking the labour movement to forego the exercise of its bargaining power.

Mr. COHEN: Frankly, that argument does not appeal to me. It is not a question whether they should or should not be asked to forego anything. That is just dealing in abstractions. The question in a concrete sense is, what contribution is made to the war effort by increasing the wages of sub-standard workers, and to what extent is that contribution needed in order that the war effort may be carried on. The problem, I should think, relates itself to war needs and war considerations.

Mr. BUCK: Yes, but that attitude is purely, if you will excuse me, an academic attitude, ignoring the fact that you are dealing with another problem, namely, that the success of your policy of determining to what extent you can strengthen the war effort by increasing wages or not increasing them depends entirely upon how it is accepted by the three millions of people who are working on wages and salaries.

Mr. COHEN: That is quite true. As I understand it your point there involves this consideration—there are a large number of workers in this country, and families associated with them, running perhaps into several millions, certainly hundreds of thousands, who are labouring under substandard wages. That involves unrest and dissatisfaction. It cuts into efficiency; it cuts into morale; it has a direct prejudicial effect on the war effort. How could one put an estimate on the cost of correcting that condition, any more than he could put an estimate on the cost of any other supply that we may have to pay for in order to be able to carry on the war effort?



Mr. BUCK: I agree that you cannot put a price upon it, and you cannot judge the value of it by what it will cost in dollars and cents, any more than you can judge the value of guns or tanks. But the success of the Dominion government labour policy depends entirely upon the extent to which it is acceptable to the people to whom it is applied, to the working forces of the country to forego the use of their bargaining power, which is potentially much stronger to-day than it was in 1939, then it is necessary for the Dominion Government to convince at least a decisive section of these working forces that it is in turn trying to give them a square deal.

Mr. COHEN: That is to say, for the exercise of collective bargaining on the part of the workers you have to substitute something that is equitable to a point that will ensure their full and effective mobilization in respect of the war effort?

Mr. BUCK: That is correct.

Mr. COHEN: And that is a question of evaluation; you have to determine the point at which you have done that job fairly and squarely?

Mr. BUCK: That is correct—at what point you can convince the workers of the country that they are not being cheated by the wartime wage and labour regulations. The brief continues:—

Institution of incentive payments which do not increase the unit cost of production should require only agreement between employer and employees. Appeals for adjustments of basic wage rates should be dealt with by the Regional and National War Labour Boards on the basis of the justice of the workers' claim—not on the inequitable basis now prescribed by P.C. 5963. The authority and judicial character of the National War Labour Board should not be weakened by the existence of a veto power in the hands of other appointed bodies. The power of the Wartime Price and Trade Control Board to veto wage adjustment should be abolished.

It is not suggested that those changes would eliminate all grounds for complaint. They would be steps in the direction of a realistic wartime wage control policy more in keeping with the interests of the nation and the war effort than is the present policy as laid down in P.C. 5963. We urge that such changes be recommended.

#### *Revise the Administrative Practice of the Department of Labour*

Disputes over questions other than those concerning wages are dealt with directly by the Dominion Department of Labour. The experience of the labour movement with the Department of Labour has been unhappy—to say the very least. The frustration suffered by the workers at Kirkland Lake, in the dispute with Canada Packers, at the Canadian Marconi Co., the Montreal Locomotive Co., and the Hamilton Bridge Co., typify the reasons for labour's distrust of the present method of dealing with such disputes.

To establish labour confidence it is necessary to completely revamp the legislative basis of the department's practice. First of all, it must be recognized that the Industrial Disputes Investigation Act, and the process provided for in that Act, are not the ones best suited to deal with disputes arising out of refusals of employers to deal with the unions of their employees' choice, out of discrimination, or out of differences concerning conditions of work.

The fact that the Industrial Disputes Investigation Act and the process therein provided did not meet the needs of the situation has been acknowledged by the enactment of P.C. 4020 of June 6, 1941, and P.C. 4844 of July 2, 1941. These orders were calculated to overcome the more glaring shortcomings of the Act but their effect has been questionable.

Commissions of Inquiry appointed by the minister have become the sponsors of proposals for employer-employee agreements in opposition to the collective bargaining proposals which were, presumably, the reason for their appointment. The Minister of Labour, exercising the "final and binding" authority putatively granted to him by P.C. 4844, orders a firm in Montreal to reinstate a worker who, the union claims, has been discharged because of his union activities; the company ignores the "order" and the minister does nothing. The explanation of these contradictions is to be found in the fact that P.C. 2685, which is entitled "War-time Labour policy" has never been enforced. "Enforcement of that Order would conflict with enforcement of the government's Wage Control Order P.C. 5963."

The CHAIRMAN: Can you elaborate on that sentence—"Enforcement of that Order would conflict with enforcement of the government's Wage Control Order"?

Mr. BUCK: As it stands now, P.C. 5963 is incompatible with the full enforcement of P.C. 2685.

Mr. COHEN: You mean the non-enforcement?

Mr. BUCK: No, my point is that P.C. 5963 does not, as it has been enforced until very recently at least, allow scope for the full exercise of the rights and conditions granted or endorsed in P.C. 2685. In my opinion it is possible to enforce a wage control order that would be quite compatible with P.C. 2685, but such an order must leave scope for collective bargaining, wages and working conditions, and must give authority to the Regional War Labour Board to enforce the wage control order in conformity with the regulations laid down in P.C. 2685. At the present time they are not enforced in that way.

Mr. COHEN: I do not think you are making it any clearer. Would you mind looking at the sentence which the Chairman mentioned? I am experiencing some difficulty in grasping what you mean. First, there is no enforcement of P.C. 2685 because it is a declaratory order, but for the purpose of the argument let us suppose that it could be enforced; say it is made a mandatory order. How would the enforcement of a mandatory P.C. 2685 be in conflict with the enforcement of an equally mandatory order P.C. 5963?

Mr. BUCK: Because P.C. 5963 excludes the right to set up collective bargaining, rights which are granted or recognized in P.C. 2685.

Mr. COHEN: You mean the question of—

Mr. BUCK: Wage increases, wage adjustments, cost of living bonus, and so on.

Mr. COHEN: What do you suggest?

Mr. BUCK: I suggest they should be brought into harmony.

Mr. COHEN: How do you translate that?

Mr. BUCK: That all the principles in each of these orders should be in one consolidated act.

Mr. COHEN: Let us assume we take P.C. 5963 and fuse it with P.C. 2685, so that you have both in one order in council; what are you going to add or take away?



Mr. BUCK: Personally I would not like to subscribe to the idea that merely by fusing P.C. 2685 and P.C. 5963 you have a complete code, but assuming that you try to combine the objectives of these two orders in council, you can give a guarantee to the right of the workers to join a union of their own choice, to designate the union they choose as their bargaining agency, and guarantee that the employers have to deal with this bargaining agency. You can combine that with the wage control regulations too, and that being mandatory, provided that the wage control regulations do not lay down conditions for requests to change the bonus and so on which are in conflict with the rights recognized in connection with the workers' right to organization and collective bargaining.

Mr. COHEN: Leaving aside any argument as to the nature of wage control, whether or not there should be a floor, or the amount of flexibility which should prevail with respect to jurisdiction of war boards and so on, how do you reconcile your suggestion that there should be a wage control order with the condition that there shall be complete freedom of bargaining with respect to wages? How can you do that unless you have no wage control?

Mr. BUCK: It is quite obvious that any wage control order will not infringe upon that complete freedom, and will not infringe upon the right of the employer to deal with the designated union.

Mr. COHEN: That is the point I cannot understand. Can you make clear what there is in P.C. 5963, assuming P.C. 2685 should be made a mandatory order, that conflicts with what would then be a mandatory P.C. 2685?

Mr. BUCK: In P.C. 2685 recognition is given to complete freedom of organization and collective bargaining.

The CHAIRMAN: I suppose you could put it in a nutshell. If P.C. 2685 were made mandatory then you have P.C. 5963 coming along with limitations so far as wages are concerned. You think there could be a reconciliation if you could have collective bargaining and conditions put on the wage question for the period of the war?

Mr. BUCK: Exactly. My point is that P.C. 2685 was promulgated before the question of wage control arose. It does not take into consideration the effect of wage controls. Secondly, P.C. 5963 does not take into consideration the fact that P.C. 2685 recognizes and acknowledges the right of collective bargaining. I am of the opinion they could be reconciled. Obviously wartime wages control necessitates limitations upon the freedom of collective bargaining, eliminating the possibility in certain cases of direct bargaining between the union and the employers, but there is no reason why such a thing could not be recognized. The order could recognize these limitations; P.C. 2685 does not.

Mr. COHEN: Your submission is that a declaratory P.C. 2685 on the subject of collective bargaining, plus a mandatory P.C. 5963 on the subject of wage controls, bring about a conflict. First you declare the right of the worker with respect to collective bargaining; then you clamp down with restrictions on this freedom in respect to the wages. That is the contradiction?

Mr. BUCK: Yes.

Mr. COHEN: That would be cleared up by something in the nature of a legislative enactment along the lines of P.C. 5963?

Mr. BUCK: Exactly, with the proviso that the collective bargaining legislation and the wage control regulations must be reconciled, so that the one cannot be in conflict with the other.

Mr. COHEN: I have difficulty on that point. Assuming that P.C. 2685 is mandatory—

Mr. BUCK: As it stands?

Mr. COHEN: No, assuming it is converted into something that is enforceable, the same way as P.C. 5963 is.

Mr. BUCK: Yes.

Mr. COHEN: Where is the conflict, after that process has been completed, between not a declaratory but a mandatory P.C. 2685, and a mandatory P.C. 5963?

Mr. BUCK: There would be no conflict between a mandatory P.C. 2685 and P.C. 5963 which took into consideration the fact that P.C. 2685 is mandatory. The present P.C. 5963 does not do that, because it is not mandatory.

Mr. COHEN: In what form do you suggest that P.C. 5963 should do that, taking into consideration the fact that the principles enunciated in P.C. 2685 are enforceable? P.C. 5963 is the Wage Control Order.

Mr. BUCK: I have not a copy of the order with me, but I marked up several sections. I deal with it at some length, but inasmuch as so many briefs have dealt with this question, I decided it was just as well we should leave the detail of that out.

Mr. COHEN: I think perhaps your next paragraph attends to it. You are proposing that P.C. 2685 should be given the same force as is now given to P.C. 5963, the Wage Control Order?

The CHAIRMAN: I suppose P.C. 2685 is like the invitation that was extended in the parable of the scriptures; when the guests did not come they went out into the highways and byways and brought them in.

Mr. COHEN: You are complaining about a conflict between P.C. 2685, which is meaningless in the sense that it is only declaratory, and P.C. 5963, which is enforceable?

Mr. BUCK: And the fact that P.C. 5963 as it stands at present does not take cognizance of the fact that these rights are provided for.

Mr. COHEN: I do not see how P.C. 5963 can take cognizance of rights which are not laid down in P.C. 2685.

Mr. BUCK: It is true the rights are not laid down, but there is an acknowledgment of the collective bargaining right.

Mr. COHEN: It only says they should have the right. I might say we should have fine weather to-morrow, but that does not give us any right to it.

Mr. BUCK: If it said they had the right, the government would enforce that right.

Mr. COHEN: Then P.C. 5963 would have to take that into account.

Mr. BUCK: That is the entire point of this sentence.

Mr. COHEN: All right.

Mr. BUCK: The brief continues:

It should be obvious that such glaring contradictions need to be eliminated if Dominion labour legislation is to be made a constructive factor in the war effort.

The principles indicated in P.C. 2685 should be given the same force as is now given to the wage control order. Conciliation methods and machinery should be changed. Government intervention in a dispute should be based upon and directed towards the aim of bringing about a collective agreement. Instead of delay, the aim should be to shorten the period between receipt of an application and the appointment of a board. With rare exceptions, workers go out on strike only as a last



resort and, in the great majority of cases, only when they have become convinced that strike action is the only means by which they can protect or advance their collective interests successfully. Because of this, the provocative provision that the Minister of Labour may require a strike vote before a board of conciliation is granted should be abolished. That provision is contrary to what should be the purpose of government conciliation. The seriousness of workers grievances is not always to be measured by the number who will vote in favour of a strike. Furthermore, if conciliation machinery is to prevent the growth of strikes it should not require a campaign and a majority vote in favour of a strike to get that machinery operating.

### *Collective Bargaining should be Compulsory*

If production is to be maintained at top peak without interruption, steps must be taken to ensure that if and when the employees of any enterprise desire to deal with management collectively they can do so without fear of discrimination by complying with certain specified requirements.

There is a body of opinion which holds that, instead of making collective bargaining compulsory by law, the governments should simply define the legal status and rights of trade unions and then "let them stand on their merits"—in other words, let matters take their course. The attitude towards the problem of labour relations suggested in that proposal may be summed up in the words "this is our business and we intend to run it as we please. People we employ will like it or get out." It is only a few years since such an attitude was freely expressed by employers and management in Canadian industry. It is still the attitude of a large number of them. That point of view is completely wrong. Adoption of the policy implicit in the proposal to let the trade unions "stand on their merits" would mean a rapid reversion to the system of settling every dispute by a trial of strength. It is self-evident that the Dominion Government could adopt that point of view only at the risk of discrediting its policy of regulating wages and restricting the right to strike by law.

In opposition to that point of view the labour movement urges elaboration of a comprehensive democratic labour code which not only affirms the rights of workers to bargain collectively with their employers through the unions of their own choice but, also, establishes machinery and methods of procedure that enable the workers to exercise those rights without having to resort to strike action and without fear of discrimination.

Legislation to make collective bargaining compulsory where a majority of employees express a desire for it should contain at least the following provisions:—

1. Workers must have the right to join the union of their free choice.
2. It shall be mandatory for employers to bargain collectively with the union representing the majority of their employees.
3. Provision for the taking of ballot of employees to determine the collective bargaining agency, in cases where employer disputes claim of union representing majority, or where employer denies that the union represents the majority.
4. Provision for recognition of bona fide unions representing majority of employees upon craft, unit or industrial basis.

5. Prohibition of employers, or their agents, organizing, subsidizing, or in any way assisting in the organizing of "company unions", "plant councils", or "employee associations".
6. Prohibition of "yellow-dog" contracts and discriminatory practices designed to coerce workers or to cause them to refrain from joining bona fide unions by threats or discharge.
7. Establishment of provincial boards, as subordinate bodies of the National Board, said provincial boards to include representatives nominated by the labour movement, to be empowered to administer and interpret the Labour Bill, and to set up machinery adequate to expeditiously and efficiently take up and settle all proposals, claims and grievances of labour and employers.
8. That strict penalties, including cancellation of government contracts, graduated fines and imprisonment be included in the bill for breaches by the employers of the provisions of the bill.
9. No incorporation of unions and no compulsory statement of their financial positions.

Mr. COHEN: Would you mind going back to paragraph 8. "That strict penalties, including cancellation of government contracts, graduated fines and imprisonment be included in the bill for breaches by the employers of the provisions of the bill." I do not think I can see much in the idea of cancelling a government contract. I would rather see it carried on; presumably it would be something needed in the war effort. It might only have some punitive value so far as the employer is concerned.

Mr. LALANDE: And it might punish the employees.

Mr. BUCK: We have seen in England instances in which the government has taken over the plant.

Mr. COHEN: That is the Cripps policy—going in and getting the stuff turned out.

Mr. BUCK: I admit it needs to go farther than the cancellation alone, but that means loss of the benefits of the contract.

Mr. COHEN: You are putting that forward as one step in carrying out the Cripps policy?

Mr. BUCK: Yes.

Mr. COHEN: Denying any money return or profit to the company which has been involved in this difficulty?

Mr. BUCK: That is the point, that the company should be denied any profit from government work if they refuse to carry out the conditions of the bill.

Let there be no misunderstanding as to why the labour movement urges such legislation. It is not because of weakness, nor of doubt as to its ability to gain improvements by exercise of its bargaining power. Trade union membership in Canada is now approaching 600,000; a condition of relatively full employment has obtained for some time; continuously increasing productivity involves ever more intensive exertion in industry, while the rising cost of living and taxation impel the workers to press for higher wages. There is a sharpening demand among large sections of workers for action to correct long-standing grievances. The immediate reason why the main body of organized labour urges the enactment of legislation such as is indicated above is because its responsible leaders are anxious that necessary adjustments in wages and working conditions should be brought about by negotiation, within the framework



of national unity, without interruption of production or any weakening of Canada's contribution to the military, air, and naval strength of the United Nations. Theirs is unquestionably the correct attitude and one that should be supported. As the national conference of the Canadian Communist movement emphasized last January: "At this time of world crisis all classes, all creeds, all parties have the most pressing duty of mitigating and subordinating all their differences to achieve one great military task: the defeat in battle of the forces of world domination represented by Hitlerite imperialism and its satellites."

### *A Dominion Labour Code is Needed Now*

A comprehensive Dominion Labour Code should be enacted as soon as possible, under the powers granted the government by the War Measures Act.

It must be emphasized, however, that the need for a democratic labour code is not, specifically, a product of the war and will not disappear when the war ends. The need for such a code is created by, and grows with, the growth of modern industry and its most significant corollary the modern industrial working class. In the interest of the continuation of ordered relations between labour and employers after the war, we suggest that either by constitutional amendment or by securing co-operation from the provincial governments, such a Dominion labour code should be made permanently mandatory.

Until collective bargaining is fully established the men and women whose labour makes Canada the fourth producing power of the United Nations will suffer restriction of their civil rights. Along with their civil rights, however, there is involved also the question of the basis upon which our national development is to proceed. For the nation as a whole, collective bargaining carried on under rules established and supervised by the government and modified from time to time in accord with changing conditions and needs, is the sole alternative to sharp and extending conflict in all branches of industry. For labour, establishment of the full principle of collective bargaining implies more than the advantages to be secured through a more efficient bargaining medium. Development of collective bargaining carries with it both the responsibility and the opportunity for labour to participate in the shaping of public legislative and administrative policy with an effectiveness more in keeping with its indispensable function in the life of the nation. More immediately it means the possibility for labour to help step up production to win the war by labour management co-operation through joint production councils or committees.

### *Vacations with Pay*

It would contribute greatly to enhanced morale, better health and increased production if the government decided upon a policy of granting annual holidays with pay to all war workers, and if encouragement would be given by the government to all employers to follow a similar policy.

### *Make Labour a Partner in the War Effort*

Labour-management production councils are now an integral part of wartime economic organization in the British Isles and the remarkable advance in production facilitated by these councils is not by any means the only evidence of their value. These councils have also been important instruments for the development of labour-management-government co-operation.

As a result of these councils organized labour has been enabled to participate officially in all efforts to solve the problems of war production and, with the opportunity to participate in dealing with the problems, labour has willingly accepted an increasing share of responsibility for the solution.

Labour-management production councils are an essential feature of labour partnership in the war effort. We suggest that the establishment of such councils should be made mandatory in all enterprises engaged upon production for the war.

The inquiry your Board is conducting is of tremendous importance in the life of our country. For the first time in recent history the entire gamut of problems involved in labour relations are under public consideration. The exigencies of the war and the importance of labour in the war as well as the post-war make it most essential that this inquiry should result in governmental action to bring Canada into line with other countries of advanced labour legislation. The government will be provided by this inquiry with an opportunity to draw labour into full partnership in the present titanic struggle. We all hope that the government will avail itself of the opportunity.

Mr. Chairman and members of the Board, that is the end of the brief proper of the Communist Total War Committee. I have three appendices; they are quite long.

Mr. COHEN: They are in the record; they are part of your brief. The official reporter has copies of them.

Mr. BUCK: Yes. I was going to suggest that I read a small part of the two more important ones, the one on wages and income, and the one on cost of living. All the argument which I have given is hinged upon them, and it will not change the argument in the brief. They deal with the methods by which the figures were arrived at. What is the pleasure of the Board?

The CHAIRMAN: You are picking out what you consider the main parts?

Mr. BUCK: I assume the entire appendix will be spread on the record?

The CHAIRMAN: Yes, it will.

Mr. BUCK:

## APPENDIX

### *Wages, Net Income and Cost of Living of Workers in Canada*

During the year ending February, 1943, it is estimated that there were 3,071,838 wage earners in Canada. Many of them were working only part time or part of the year but, based on Bulletins 2 and 3 of the 1941 Census Occupational and Earning Reports, and adjusted in general in accordance with the employment and payroll indexes of the Dominion Bureau of Statistics for the changes between the year ending June 1, 1941 (the census year) and the year ending February, 1943, these workers received average wages during the year of \$26.15 per week, or a total of \$4,177,907,316.

Mr. COHEN: Is that wages, or wages and salaries?

Mr. BUCK: Wages and salaries. There is a slight error there; it should be shown as wages and salaries.

Mr. COHEN: This figure in line 2—

Mr. BUCK: Yes, that should be 3,071,838 wage and salary earners.

Mr. COHEN: Do you mind indicating the source of that figure, or is it indicated later?



Mr. BUCK: Yes, I have detailed very carefully the sources I have used. I would welcome any checking on the part of the Board's technical staff, because I have no desire in any way to misrepresent the facts.

This is about \$3 or \$4 less than the average weekly earnings as shown by the DBS Employment Situation. This is because the latter publication does not include about 150,000 agricultural wage earners (the lowest paid workers) and includes only about 40,000 or 50,000 service workers, whereas in total there were, in the year ending February, 1943, not less than 500,000 wage earners engaged in service, forming the group receiving the lowest wages of any except agricultural workers.

Mr. COHEN: As to the figure of 500,000 wage earners; is there some official publication from which that is taken?

Mr. BUCK: Yes, the census, in the supplementary bulletin on occupations and earnings, which is indicated there.

Mr. COHEN: Does that take into account indirect wages of the workers in agriculture to whom you refer?

Mr. BUCK: Only cash income.

Mr. COHEN: No other benefits secured to them?

Mr. BUCK: No, it does not take into account room and board. Some years ago we had quite a discussion on this question before the Sirois Commission. I wanted to include an estimate, but it was thought that was wrong. We are dealing with a sum of money which can be fairly well established and agreed upon, but it might be very difficult to get agreement upon what room and board means in the way of wages.

About 160,000 of the people in receipt of wages or salaries, those receiving wages of \$3,000 and over, received investment income also. It is estimated that, out of a total investment income of \$300,000,000, those in receipt of wages or salaries of more than \$3,000 received \$282,000,000 thereof. This group totalling about 160,000 representing 5.19 per cent of all wage and salary earners, received 22.13 per cent of the total income of wage and salary earners, made up of \$705,000,000 in wages and \$282,000,000 in investment income, a total of \$987,000,000. This represents an average of \$119 per week for each of this group. Those receiving incomes of more than \$10,000 per annum number 11,037, or a little more than  $\frac{1}{3}$  of one per cent of all wage and salary earners. The members of this group received aggregate salaries and investment income of \$330,914,035 or 7.42 per cent of total income, an average of almost \$30,000 a year or about \$575 per week. One thousand and seventy-two, or  $\frac{3}{100}$  of one per cent of all wage and salary earners receiving more than \$50,000 received 2.38 per cent of the total income or \$106,184,900, an average of \$99,053 each for the year or \$1,905 per week. There were 28 individuals who made an average in salary and investment income of \$1,200,000, and of these there were three individuals who made an average, including investment income, of \$6,000,000 each.

All these figures are before deduction of income tax and are given in this manner because all statistics regarding earnings and averages thereof are averages of wage and other income before deduction of tax.

At the opposite end of the scale are those workers who are receiving less than a subsistence income, that is to say, the minimum income necessary to keep a worker in good health for maximum effectiveness. Heads of families, unmarried males, and females, are the three classifications in which minimum requirements for subsistence have been estimated.

In 1939 (August) the minimum requirements were as follows:

Head of family (with 2 children under 16) . . . . .	per week	\$26.05
Unmarried male . . . . .	" "	13.08
Unmarried female . . . . .	" "	12.39

Those are the Toronto Welfare standards. I should say that those standards are taken because they come nearest to the average, outside of the Dominion Bureau of Statistics index, for each city in Canada.

Applying the DBS cost of living index to these figures the average requirements for the year ending February 1943 were as follows:—

Head of family (with 2 children under 16) . . . . .	per week	\$30.24
Unmarried male . . . . .	" "	15.18
Unmarried female . . . . .	" "	14.38

On this basis, 485,526 heads of families, 536,013 unmarried males and 337,811 unmarried females, or a total of 1,359,350 wage earners received less than subsistence during the year ending February, 1943. These represent 37.58 per cent of all heads of families, 49.1 per cent of all unmarried males and 49.41 per cent of all unmarried females, or 44.25 per cent of all wage earners. These 44.25 per cent of the workers received only 18.25 per cent of the total income of all wage earners. They received averages as follows:—

	Per year	Per week
Heads of families . . . . .	\$908	\$17.46
Unmarried males . . . . .	450	8.65
Unmarried females . . . . .	374	7.19

The average deficiency in earnings was as follows:—

	Per year	Per week
Heads of families . . . . .	\$664	\$12.78
Unmarried males . . . . .	339	6.53
Unmarried females . . . . .	374	7.19

Mr. COHEN: From there on you break down these figures and indicate the method of calculation?

Mr. BUCK: Yes. There is a highly condensed table on page 4 which gives the whole picture.

Mr. COHEN: Then you give in the appendix the methods of arriving at these figures?

Mr. BUCK: Yes, I quote the methods of comparison and the methods of estimation. As I pointed out, obviously estimation and comparison are the only means available to us, in the absence of a good cost of living index.

Amongst this group there were 391,457 workers or 12.74 per cent of all workers who received less than \$450 each, a total income of \$106,196,308, an average of \$271 for the year or \$5.21 per week which represents 2.38 per cent of the total income. There were 892,885 workers or 29.06 per cent of all wage earners who received less than \$10 per week and their total income was \$353,690,395 or 7.93 per cent of total income. This amount represented average earnings for this whole group of only \$7.61 per week.



Breaking the total wage earners down into three groups: those receiving less than subsistence, those earning subsistence and up to wages of \$3,000, and those in receipt of a wage or salary of more than \$3,000, we have the following schedule:—

Class	Number in 000s	%	Wages Rec's in 000s	Invest- ment Income 000s	Total Income in 000s	%	Total Tax in 000s	Net Income	Average Net Income per wk.	Def. Excess	
										per wk.	per wk.
BELOW SUBSIST- ENCE—											
Heads.....	485	37.58	442,326	.....	443,326	16.28	1,397	440,929	17.46	12.78	.....
Males.....	536	49.01	245,600	.....	245,600	20.39	4,200	241,310	8.65	6.53	.....
Females.....	338	49.41	126,206	.....	126,206	23.39	.....	126,206	7.19	7.19	.....
Total.....	1,359	44.25	814,132	.....	814,132	18.25	5,687	808,445	11.44	8.92	.....
ABOVE SUBSIST- ENCE AND UP TO WAGES OF \$3,000—											
Heads.....	655	50.66	1,388,695	.....	1,388,695	51.33	175,766	1,212,919	35.63	.....	5.39
Males.....	552	50.47	863,029	.....	863,029	71.66	227,747	635,282	22.12	.....	6.95
Females.....	347	50.51	407,320	.....	407,320	75.47	86,043	321,277	17.85	.....	3.47
Total.....	1,554	50.56	2,659,044	.....	2,659,044	59.62	489,566	2,169,478	26.85	.....	5.50
WAGES OF \$3,000 AND UPWARD—											
Heads.....	152	11.76	652,529	232,550	885,079	32.59	372,528	512,551	64.90	.....	34.66
Males.....	6	.52	46,311	49,348	95,659	7.94	60,121	35,538	120.44	.....	105.36
Females.....	2	.08	5,891	252	6,143	1.14	2,366	3,777	40.96	.....	26.58
Total.....	160	5.19	704,731	282,150	986,881	22.13	435,015	551,866	66.61	.....	37.09
TOTALS—											
Heads.....	1,292	100.00	2,483,550	232,550	2,716,100	100.00	549,701	2,166,399	32.35	.....	2.01
Males.....	1,094	100.00	1,154,940	49,348	1,204,288	100.00	292,158	912,130	16.04	.....	.86
Females.....	686	100.00	539,417	252	539,669	100.00	88,409	451,260	12.65	1.73	.....
Total.....	3,072	100.00	4,177,907	282,150	4,460,057	100.00	930,268	3,529,789	22.13	.....	.80

The method used in estimating the average numbers of wage earners and their average earnings for the year ending February, 1943, was as follows:—

Table No. 4 of *Occupations and Earnings Bulletin* No. 2 of the 1941 Census shows wage earners broken into groups according to industry, sex, rural and urban. Table No. 3 of *Occupations and Earnings Bulletin* No. 3 of the 1941 Census shows wage earners classified according to sex, brackets of earnings, rural and urban. These two tables were inter-related by using percentages: for example, 49.97 per cent of rural workers received less than \$450 during the census year; therefore, 49.97 per cent of agricultural workers shown in the rural areas were calculated to receive less than \$450. These percentages were worked out and applied to the workers in each industry. In the earnings table No. 3, mentioned above, the number of workers receiving more than \$4,950 is shown, but the average received by these workers is not shown. In order to determine the average earnings of those receiving wages of more than \$4,950, the indexes of employment in each industry as shown by the DBS Employment Situation were averaged for the months of July, 1940, to June, 1941, and the average index applied to the base number of workers, thereby obtaining the average number of workers in the year ending June, 1941, the year of the Census; the indexes of payrolls in each industry (as shown by the DBS Employment Situation), were averaged for the months of July, 1941, to June, 1942; this average index, so obtained, was reduced by dividing it by the index of June, 1942 (June, 1941, equalled 100 in this case) on the assumption that payrolls on the average had increased for the year 1941-1942 over those for the year

1940-1941 by the increase of the index from June, 1941, to June, 1942 (no payroll indexes are available prior to June, 1941); the base payroll was then multiplied by the average index thereby obtaining the average weekly payroll for 1940-1941; the average wage per worker for the period was then obtained by dividing the average number of workers in 1940-1941 in each industry as shown by the DBS Employment Situation into the average payroll for 1941 so determined and the resultant average weekly wage was applied to the number of workers as shown by the census, broken down by industries, as indicated above.

The same procedure was followed in determining the average number of workers in the year ended February 1943, that is to say, the indexes of the number of workers in each industry as shown by the DBS Employment Situation for the year ending February 1943 were averaged and the average index applied to the number of wage earners appearing in the census in the same industry for the year ending June, 1941. This method was not applied, however, to agriculture or service, because, in the case of agriculture, there are no indexes of employment available and, in the case of service, the indexes apply to only approximately 10 per cent of the wage earners employed in service. The numbers of wage earners engaged in all other industries except mining increased, and it is known that the numbers of wage earners engaged in agriculture and service decreased, because wages in other industries beckoned. The total net increase in the number of wage earners in all industries other than agriculture and service was 489,662. There were 154,600 workers seeking employment in June, 1941, according to the census, all of whom are assumed to have become wage earners in the year ending February 1943; there were about 800,000 workers on own account in the census year, 200,000 of whom are assumed to have become wage earners in the later period. Of the increase in other industries, 489,662, these two sources of workers give all but 135,062. The numbers of agricultural wage earners and service wage earners as shown by the census were reduced by 135,062, this number being divided between the two industries in the same proportion as the number each bore to the other in the census year.

Indexes of payrolls in the DBS Employment Situation were averaged for each industry for the year ending February 1943, compared as a percentage to the average of the census year as determined above. The percentage thus obtained was applied to the total payroll of the census year in each industry. Thus there was obtained in each industry the total average number of workers and the total average payroll in the year ending February 1943. These totals were spread in similar proportions across the income brackets shown in the census year, the purpose being to keep the highest bracket down to figures that appear realistic and to place the majority of the increase in the brackets between \$1,500 and \$3,000. With respect to agriculture, the latest figures of average wages appear in the Canada Year Book, 1942, showing average agricultural wages (including board) for the year 1941. It was assumed that the agricultural wages so determined increased in the year ending February 1943 by the same percentage as gross farm income for the year ending February 1943 was greater than that for the year ending June 1941.

The minimum standard of subsistence used in this survey is that prepared by the Toronto Welfare Council in August 1939, adjusted upward by the average cost of living index for the year ending February 1943. Whether the minimum standard of subsistence for the year ending February 1943 has been placed high enough is a question of moment. There are many indications that the cost of living index, based as it is, on a budget for a family of 4.6 of about \$1,400 or \$1,500 does not contain



a sufficiently high weight for food (31 per cent) because such a large percentage of the wage earners' families receive less than this cost of living budget and consequently have to spend much more than 31 per cent for food than do those in higher brackets. The weight for vegetables, for example, is 7 per cent and contains no fresh vegetables except beans and onions. These vegetables are stable in price compared to cabbage, lettuce, tomatoes and other fresh vegetables. The same may be said concerning fresh fruits. As may be seen by the above schedule the average income of those families receiving less than \$3,000 is just over \$1,400 and in 1939 was perhaps between \$1,200 and \$1,300. If the cost of living index were adjusted so that the budget were weighted in accordance with the average expenditures of all families earning less than \$3,000 and with the classifications of foods actually purchased, it is believed that the weight for food would be materially increased and the index would necessarily be higher than that now published.

Another reason why the cost of living index probably is not high enough in relation to actual conditions is that subsidies are paid on non-essential commodities, such as tea and coffee. Non-essential commodities have a very small weight in the budget of the majority, whereas many essential products are not subject to price control and are not subsidized and are not included in the cost of living index budget. Subsidies on non-essential commodities have the effect of keeping the mathematical cost of living index down without having the same effect on the actual cost of living. The same effect results from weight being kept in the index budget for commodities which, due to wartime conditions, are no longer on the market.

For these and other reasons, therefore, it is believed that it is a very conservative estimate, when it is said that 44.25 per cent of the wage earners received less than sufficient to keep them in good health for maximum efficiency and production.

#### *Supplementary Note on Wages in Ontario and Quebec Industrial Centres*

Examples of average rates from the 1942 Report of the Department of Labour on *Wages and Hours of Labour*:

Average hourly wages, 1941—	Building Trades			
	Quebec City	Hamilton	Montreal	Toronto
Bricklayers and masons . . . . .	0.85	1.05	0.92	1.12½
Carpenters . . . . .	0.65	0.90	0.81	1.00
Electricians . . . . .	0.65	0.90	0.87	1.10
Painters . . . . .	0.60	0.75	0.74	0.85
Plasterers . . . . .	0.85	1.00	0.90	1.10
Plumbers . . . . .	0.65	0.95	0.90	1.10
Sheet metal workers . . . . .	0.65	0.90	0.82	1.07½
Stone cutters . . . . .	0.70	0.95	0.92	0.95
Labourers . . . . .	0.45	0.35-0.45	0.40-0.46	0.40-0.50

In addition to the above, the following wage rates as of December 1942 were being paid on construction projects at Arvida, Quebec and Sarnia, Ontario:

#### (C.L.B.:—COST OF LIVING BONUS)

	Arvida	Sarnia
Bricklayers . . . . .	\$1.05 & .05 clb.	\$1.12½ & .03 clb.
Labourers . . . . .	.45 & .05 clb.	.55 & .07 clb.
Painters (spray) . . . . .	.75 & .05 clb.	.95
Plumbers and pipe-fitters . . . . .	.90 & .05 clb.	1.10 & .03 clb.
Carpenters . . . . .	.75 & .05 clb.	1.00 & .03 clb.
Cement finishers . . . . .	.75 & .05 clb.	.80 & .02 clb.

#### *National Wartime Industrial Health Program*

Canada's fighting armies enjoy the best health services science can devise. Our generals have recognized that the health and well-being of their men are of primary importance in building and maintaining at the

peak of physical and mental fitness, a powerful attacking army. From the moment a man or woman joins any branch of the armed services, his health automatically becomes the responsibility of the Medical Corps. He is thoroughly examined, vaccinated, blood-tested, x-rayed; he is given eye and dental care and treatment. If he falls ill or meets with an accident or is wounded in action, a highly organized and efficient system swings into action, to restore him. This, of course, is as it should be and our nation can take pride in the modern health services that guard our armed forces.

But our generals in charge of production have not yet been so enlightened. *The casualties suffered by Canada's industrial army are actually staggering*, as this brief will show beyond all doubt. For instance, only 20 per cent of our war factories have a health service even remotely resembling the army program; only 20 per cent are even equipped with lunch rooms. The yearly casualties measure the equivalent of 100,000—men who fall needlessly before the withering crossfire, dirt, disease and strain.

The health protection of Canada's war workers is as important, or nearly so, in the whole strategy of our war effort, as the protection of our armed forces; and it must be regarded as a war measure requiring the same degree of forceful, intelligent planning and resolute action. Our limited manpower resources must be guarded jealously; our workers must be considered an integral part of a war strategy stream-lined and fully mobilized for the coming offensive and victory.

#### *Lay Post-War Foundation Now*

Post-war planning for the health and social security of the Canadian people is a welcome sign of better things to come. It is necessary to be foresighted, to bring together for discussion the most qualified authorities in the country. But it is of vital importance to our future that we lay the groundwork *now* for post-war expansion.

Never can we forget that the war must first be won—and never can we ignore the necessity of mobilizing every resource we possess behind the armies in the field and in the industries. Post-war planning must spring from the present.

The health of Canada's war workers is a national problem demanding the immediate attention of the Federal Government. And it is a problem that *lies well within the scope of government labour policy* since it involves working conditions in industry which not only create grievances between labour and management, but which rob the arsenals of the United Nations of great quantities of urgently needed ships, planes, tanks and guns.

The trade unions and labour organizations of this country need only the encouragement and backing of a sound government policy and they will swing in behind. Organized labour stands ready to assume its share of the responsibility for the health of its members and given the necessary support by the government could assist in no small measure in alleviating the situation—even to the extent, perhaps, of setting up its own health services such as has already been organized by the United Automobile Workers. Organized labour seeks an equal partnership in Canada's war effort and until this right has been acknowledged, our war effort can never achieve the totality desired by the Canadian people.

#### *Losses are Heavy*

Sickness and accident are costing Canadian industry 3,500,000 man-working days per month. The equivalent of this lost time in tools of war would mean the saving of perhaps thousands of lives of Canadian soldiers,



sailors and airmen; it could mean the difference between defeat and victory on a battlefield; it could appreciably contribute to the shortening of the war; and most certainly hasten the day of victory.

Putting it more concretely, we are losing just as effectively as though through enemy action, 2,700 heavy bombers a year; or 4,500 cruiser tanks; or hundreds of cargo and convoy ships now so urgently needed to combat the U-boat menace.

It is a fact that Canada's war workers have one of the finest production records of any nation in the world; it is a fact that they have magnificently stuck to their job of producing an abundance of weapons in spite of the malicious fiction to the contrary. But it is likewise a fact that labour's splendid record has been achieved in spite of a fundamental weakness in government labour policy, and in the face of conditions of work which in far too many instances would normally be considered intolerable. Just as it is foolhardy to maintain a condition of confusion and distrust in labour-management relations, so it is folly to ignore the physical conditions in which the workers are asked to produce the highly technical equipment required by modern armies. In a nation so limited in man-power resources we are wasting the production of more than 50,000 men and women every day. Surely this is a national emergency which demands the serious attention of the Federal Departments of Labour, Health and Munitions and Supply, in the co-operation with the trade unions and management.

That the *problem is not receiving the attention* it urgently requires, actually needs no further proof than the action of the Minister of Munitions and Supply and Director of Aircraft Production in ordering the closing of the Canadian Pacific Airlines overhaul plant in British Columbia because the workers asked a ten-minute rest period during their eight-hour shift. Such an order, which actually locked out 9,000 aircraft workers in British Columbia, is unbelievably stupid. It is not only an extreme case of provocation in this particular plant, but it challenges the right of every worker in industry in Canada to demand reasonably healthful working conditions. This action has added hundreds of thousands of hours to lost production time and has created a grievance of distrust and dissatisfaction which will be hard to dissipate. The planning of short rest periods cannot be counted as lost time, for science has proved them essential to increased production.

There is not a single qualified medical authority in the world to-day who disputed the value both to worker and to production, of at least a ten-minute rest period even for the lightest kind of work. This order by the Minister of Munitions and Supply is such a flagrant violation of the spirit, if not the letter, of P.C. 1550, enacted on his own recommendation, that it renders the order almost useless. This order is entitled "Order in Council establishing regulations *re* conservation of health of employees in war industries."

Another recent case should also be cited. At the Ford plant in Windsor, because the workers protested that a speed-up without compensating precautions was causing physical injury to some employees. The entire plant was shut down and 15,000 workers were prevented from making equipment which, by government admission, is urgently needed by China. A federal government arbitration officer recommended the improvements originally suggested by the Union.

An intelligent health control program could have prevented both disturbances.

### *Canada's Health Record Poor*

Canada, unfortunately, has never enjoyed an enviable position among the nations of the world in standards of health. It is shameful to see year in and year out our nation placed far down in the lists. But regardless of the past, the urgency of the present can no longer tolerate complacency. *A national war-time industrial health program*, initiated by the federal Government as a war measure, should be recognized as *an integral part of the government's whole attitude towards labour and production*.

It is true that the government has already taken a number of steps in the direction of recognizing the need for improving the health standards of industrial workers. The passing in 1942 of Order in Council P.C. 1550 under jurisdiction of the Department of Pensions and Health; the establishment of a Federal Division of Industrial Hygiene; the agreements between the Dominion and provincial governments with respect to child care services; the Labour Department's Recreational Conference; are all welcome forward steps. The work of some provincial and municipal health departments in the field of T.B. precautions and safety inspection has also proved valuable. But much longer strides are required. In the fiscal year 1942-43, the Department of Health spent only \$25,000 for the inspection of factories by the Division of Industrial Hygiene. *P.C. 1550 gives the government practically all the power needed* for an effective industrial war-time program, but as yet there has been no forceful application of this legislation. Considered as part of the government's general policy with respect to labour, man-power and production, the problem of the health of Canada's war workers should achieve the attention the situation demands.

*Health Conditions in Canadian Industry:* It is not necessary to delve deeply into a mass of statistical data to obtain the facts about the standards of health in Canadian industry. Much information has been published in the *Labour Gazette* and other government publications. The Industrial Division of the Health League of Canada has investigated the problem and issued an elaborate folder to employers. Medical journals, trade unions, social agencies and many individual public health officers have repeatedly pointed out the facts and warned of the dangers.

An article in the *Labour Gazette* of January, 1943, entitled, "Absenteeism in Canadian War Industry", quotes material obtained by a survey conducted by the Department of Munitions and Supply. In this survey it was shown that out of 86,224 employees in 35 plants, an average of 7,010 were absent every day. The Minister of Health, the Hon. Ian Mackenzie, used the figure of 50,000 workers absent *every day*. The Health League of Canada goes as high as 3,000,000 man-working days lost *per month* through illness. A Gallup Poll for February, 1942, found 3,250,000 days lost in that month.

### *Recommends Labour-Management Committees*

In the article in the *Labour Gazette*, it is worth noting the conclusion which is headed, "Control of Absenteeism": "In conclusion, the application of the following general principles are considered important factors in the control of absenteeism:

1. Improvement of labour relations between employer and employee in particular plants.
2. Establishment of joint labour-management production committees.
3. Inauguration of a system of recording absences and their causes.
4. *Establishment of safety and health program.*



5. Plant campaigns, intelligently conducted, to publicize the importance of individual responsibility in unnecessary absences in terms of lost production vital to the fighting front."

Canadian labour has been fighting for points one and two in this program since the beginning of the war. They are basic factors which have been and will continue to be, until labour is accepted as a full partner, the major bone of contention between labour, management and government. The primary concern in this brief, however, is the health of the production workers.

Scores of surveys have been made into the causes of absenteeism both in Canada and the United States. In every case, sickness and accidents account for more than 50 per cent of the total. Of the 50,000 or more Canadian workers who are absent through illness from their benches every day, half are suffering from colds and other respiratory diseases; another 20 per cent have indigestion, frequently caused by poor lunch room or restaurant facilities. Of the remainder, 10 per cent suffer diseases of the circulatory system; 10 per cent nerve cases and 10 per cent are rheumatic. This breakdown is furnished by Dr. J. G. Cunningham, Director of the Division of Industrial Hygiene for the Province of Ontario. Another cause quoted by the U.S. Labour Secretary Frances Perkins, is headaches due to eye strain. Industrial fatigue is a cause in itself and may easily lead to more serious diseases as classified above. Dr. C. F. Blackler, acting chief of the Division of Industrial Hygiene for the Federal Government, lists, as related to industrial fatigue, the *problems of hours of labour, monotonous tasks, rest periods, lighting, heating, ventilation, excessive noise, overcrowding, inadequate nutrition, etc.* Fatigue is undoubtedly a chief cause of accidents and future illnesses.

### *Are Cause of Grievances*

The conditions which give rise to what the Hon. Ian Mackenzie calls a "tremendous loss of manpower", also are contributing factors in causing grievances between workers and management. Two outstanding examples have already been outlined above. In a recent disturbance at a Quebec munitions factory, one of the underlying causes was the train service which transported the workers to and from the plant. Into old-fashioned colonist cars, with totally inadequate washroom facilities, without any service available to supply workers with coffee or light snacks for those who had been unable to get breakfast, and into poorly ventilated and over-crowded cars, were crowded hundreds of men and women for an hour's journey. Many of those workers had to work all morning before getting a chance to eat. (As a supplement to this report, other similar instances are cited.)

Although much has been done in the field of accident prevention in Canadian industry, nevertheless more than 1,200 workers lose their lives every year in the performance of their duty. The number injured is a terrible indictment. In Ontario alone, during the month of September, 1942, there were 12,000 accidents reported. In one munitions plant, according to R. G. Cameron, Medical Aid Officer of Ontario Workmen's Compensation Board, out of 2,000 employees, 240 man-days were lost in one month by preventable accidents. The annual total for Canada is over 350,000. In the last three months of 1942, 355 workers were killed by industrial accidents in Canada. These are serious losses, and while it is, of course, impossible to prevent all accidents, much more drastic measures could and should be taken. According to Howard Cooley,

chairman of the executive committee of the National Association of Manufacturers, the United States loses *four times as many hours of work through accident than through strikes*. In Canada, in the same month in which the Gallup Poll showed a loss through illness of a 3¼ million man-working days, only 23,997 were lost through strikes. *Compare the amount of attention paid to strikes with the amount of public attention industrial accidents and health conditions receive!*

### *Illness Ten Times Worse*

But serious as are accidents, sickness is infinitely worse. Says Dr. J. G. Cunningham: "The working population loses at least ten times more working days from sickness than from industrial accidents . . . War conditions increase lost-time sickness sometimes as much as fifty per cent. This increase is associated with altered conditions of working and living and is *therefore subject to control*."

The general picture of health conditions in Canada is too well known to need elaboration here. But it needs to be borne in mind in any discussion of absenteeism. Canada's infant and maternal mortality rates, our rising T.B. death rate, our half million cases of venereal disease, our steadily increasing rate of mental illnesses, are a national disgrace. Canada stands well down in the lists of nations and even some of the so-called backward states of Europe stood much higher than Canada before the plague of Hitlerism swept across them. Such conditions obviously are reflected in the absentee records in Canadian industry.

The argument that workers are paid much higher than those in the armed forces and therefore should pay for their own health protection and treatment is specious but totally invalid. It is a fact attested by several Royal Commissions, that the average wage-earner does not make enough money—and even to-day, it is estimated that more than 50 per cent of our industrial workers are paid less than the standard subsistence level. "The key fact," says L. C. Marsh in his report to the Reconstruction Committee, "is that most family incomes, excepting only those at the highest levels, are insufficient to meet the cost of continuous or serious illness." Here is where the freezing of sub-standard wages has contributed to the lowering of our already low industrial health standards.

Nutrition is a science about which there is much publicity to-day. The government and private groups are urging workers to eat more nutritive meals. Aside from the situation mentioned above with respect to wages and cost of living—and this is admitted by government sources—there is also the fact that only 27 per cent of our factories have cafeterias and only 20 per cent have lunch or mess rooms. In only four per cent are there dieticians. These are official figures published by the federal Minister of Health after a survey of 363 Canadian war industries. It has also been stated that not more than 40 per cent of our population is properly nourished.

### *Eight Out of Ten Factories Have No Health Services*

But here are even more incredible figures: In only 20 per cent of all Canadian industries are there to be found organized health services available to the workers. Even among the very large plants which employ thousands, not more than 50 per cent have health protection service, 64 per cent cafeterias and 18 per cent nutrition experts.

True, there has doubtless been some improvement since these figures were collected in 1942. But these conditions could not have been permitted even for three months, had there been any forceful application of P.C. 1550 after its adoption in March, 1942.



Finally, a note about the economic loss should be added. Canadian workers lose \$50,000,000 per year in wages through largely preventable illness. The loss in production is valued at between \$75 and \$100 million.

There is a tremendous amount of information available—so much, in fact, and so revealing of absolutely disgraceful conditions, that the wonder is there has been no national outcry. There can be no doubt whatever that only the determination of the working population not to be diverted from their main objective—production for victory—has prevented serious disturbances. The fact remains, however, that all the elements to create dissension are here and obvious to anyone—as witness the above-mentioned cases in British Columbia aircraft industries and Windsor Ford factory—and should be eliminated before they become intolerable even in the midst of war.

The loss of over 3,000,000 man-working days per month in our war plants—and there are few factories in Canada to-day not engaged in some form of war work—is a situation which should engage the most serious attention of the government and more especially those departments charged with the administration of labour, production and health. There is involved here not only the humanitarian consideration of the health of scores of thousands of workers and their families; there is also the factor of relations between labour and management; there is the factor of increasing much-needed weapons of war; and there is the objective of laying the groundwork now for the post-war period about which so much has been promised. We can only guess at the physical and mental damage to a great many men and women in our factories, being caused by poor lighting, bad ventilation, strain and dirt, etc. The manifestations of damage being done to-day may not be apparent for some considerable time. This is where post-warism plays its role in the reality of the present.

*The Case For a National Industrial Health Program:* According to competent medical and public health authorities in Canada, England and the United States sickness and accidents in industry are reduceable by from 60 to 75 per cent.

The *Labour Gazette* reports that in one factory, lost time was reduced by almost 70 per cent as the result of the institution of a health service program. The Health League of Canada reports another factory which reduced absenteeism from 10 to 3 per cent. The Rowell-Sirois report makes the statement that "every commission appointed to investigate health insurance in Canada (ranging from 1929 to 1934) has found the average wage-earner unable to provide adequate medical care for himself and his family," if left to his own resources, and has recommended various plans. Dr. C. F. Blackler gives the example of two companies both engaged in the same kind of work and employing approximately the same number of men, one with a health service program, the other without. During a typical month in 1942, the company without a health service program had five times as many compensatable accidents as the company which used preventive measures.

Dr. A. E. Grauer in a report prepared for the Rowell-Sirois commission wrote as follows: "In Canada, only Ontario and Quebec have adequate divisions for industrial hygiene and the service is not highly developed . . . With its recent establishment of a Division of Industrial Hygiene the Dominion is now in a good position to provide assistance and leadership . . ."

*Industrial hygiene program has some relation to the wider problems of labour in their relation to the state, not only in decreasing industrial unrest, but in lengthening the working life of the worker and lessening his*

chances of becoming a public charge through being unemployable. It is especially valuable at a time when high speed production and complicated chemical and mechanical processes are characteristic of industry. *The setting up of standards for lighting, noise, fatigue, ventilation, posture, speed, special industrial hazards, etc., are most important.*

*"Should be Acted on Now"*

Dr. Grant Cunningham stated in the Canadian Public Health Journal as early as 1941: "If public health officials and the medical profession generally believe, and they do, that adult sickness can be controlled to an appreciable extent by early diagnosis, appropriate advice for treatment and other measures at their disposal, that belief should be acted upon now, so that war industry may benefit from a procedure which can be so much more readily applied to groups than to individuals outside a group."

It must be said on behalf of the departments of Health and Labour that they are aware of the seriousness of the problem. Order in Council P.C. 1550 "recognizes that a high standard of health among the workers who are engaged in war industry will directly increase the war effort of the Allied Powers." This legislation gives the federal departments of Health and Munitions and Supply the authority to "keep war contracts premises at all times in a clean and sanitary condition and provide lighting, heating, ventilation, water and toilet facilities satisfactory to the minister." The owner is also obliged, under the Order, to provide medical, surgical, nursing and preventive services to the satisfaction of the minister. It has also to do with health promotion campaigns, nutritional standards, physical examination of workers, alteration of premises to provide more suitable conditions, and the maintenance of proper sickness and accident records. But this is only on paper and remains without teeth and *still without adequate enforcement.*

In many factories, the management has instituted health service programs which are paying big dividends not only in added production, but in actual dollars and cents profit. New figures for Canada are actually available, but a comparable instance from the United States shows that one factory employing 500 workers saves about \$5,600 per year over and above the cost of its health service. In accident prevention, Mr. John Harold of the Ontario Workmen's Compensation Board, points out that "for every dollar spent for accident prevention work, there is at least a saving of \$5.00 in compensation costs alone."

The Health League of Canada has recently issued, with the endorsement of the Minister of Health, an elaborate program for health education and medical supervision. It is directed to the attention of plant executives. Its program, if undertaken in every factory in Canada would doubtless materially reduce the sickness and accident rate. But acceptance is purely voluntary. There are a number of voluntary and contributory schemes insuring workers against loss of income during sickness, and hospitalization plans insuring against hospital costs. Neither plan is protective; not even a medical examination is required.

*On the "Hit and Miss" Plan*

There are many other instances of attention to the problem. The recent Industrial Recreation conferences held in Toronto and Ottawa brought forward sound proposals; the dominion-provincial agreements on day nurseries for children of war workers; the work of the Victorian Order of Nurses, local welfare councils, etc., have contributed a great deal. The Ontario Department of Health and some Ontario municipal departments, notably Hamilton, have provided valuable treatment and examination facilities for T.B. cases in war industries.

But all of this is on the "hit and miss" plan. There is no national direction to this work; there is no compulsion and no overall program or campaign. So long as the initiative remains with the owners of factories and with voluntary organizations, the problem can never be tackled as its gravity deserves. The trade unions, lacking the facilities as well as the collaboration of government and management, cannot be expected to tackle the job alone.

Only a National Industrial Health Wartime Program, initiated by the Federal Government and bringing together with authority and budget all the departments and organizations concerned and *more especially labour and management*, can seriously cope with the situation. Every factory and every worker in Canada's war industry needs medical supervision. Conditions which contribute to the loss of production time should be corrected and working conditions should be standardized in every factory in every province. A dominion-provincial-municipal-labour-management plan, provided with no more money than Canada now spends in one day of war, and possessing the teeth of enforcement, would not only add years to many workers' lives, would not only increase our war production by considerable percentages and return to the government a handsome profit on its original investment—it would also speed the day of victory.

It is worth repeating for emphasis, that the health of Canada's war workers is of almost equal strategic importance to the health of our armed forces. It must be accepted as a national war problem vital to our defence as well as our coming offensive. As such, *the problem demands special war measures*. Canada and the United Nations cannot afford such staggering industrial casualties.

### *What Can be Done*

There can no longer be any intelligent or logical argument against the need for a National Wartime Industrial Health Program; the facts cannot be denied or ignored. But it must be made clear that no program can be successful without the partnership and collaboration of the Canadian labour movement. This must be the foundation of all government-labour-management relations. As the British Ministry of Labour declares: "It is of primary importance that in their efforts to deal with absenteeism . . . managements should maintain close consultation with the representatives of the workers."

There is no need for new legislation by the government; the laws under P.C. 1550 are already adequate. The need is, however, for a much more forceful application of those laws. The need is for closer co-operation between labour, management and government, both nationally and in every individual plant. The need is for a higher set of industrial health standards and for a greatly enlarged administration and apparatus to ensure they are carried out. The need is for an expenditure of money. And finally, the need is for a nationally planned industrial health program that can be implemented in every province and in every factory, large and small.

### *A Suggested 15-Point Program*

It is not the intention of this brief to set forth a hard and fast plan or program. But certain general suggestions based upon the needs of the moment and upon the advice of those closest to the problem, are made as follows: (It should be borne in mind that reference here to sub-standard wages has been omitted since it is a major problem in itself.)



1. The expansion of the federal Division of Industrial Hygiene to properly administer the provisions of P.C. 1550.

2. The establishment of an official advisory committee composed of the following representatives: Department of Pensions and Health; Department of Labour; Department of Munitions and Supply; Canadian Congress of Labour; Trades and Labour Congress; Canadian Federation of Labour; Canadian Manufacturers' Association; Canadian Medical Association.

3. The appropriation of at least \$5,000,000 for the administration of P.C. 1550 and the conduction of a National Industrial Wartime Health Program.

4. The appointment of a regional director in every industrial area in Canada whose first duty will be to call a conference of labour and management representatives in the area for discussion of health problems and organization of permanent functioning committee to work with National Advisory Committee, municipal and provincial public health bodies and the Federal Industrial Hygiene Department.

5. Consultation with and encouragement of the Trade Union Congresses to utilize their many organizational resources in support of the program such as setting up of union health services, plant councils, etc.

6. Each regional committee or board would hire qualified professional authorities to inspect each factory in the area and make specific recommendations to the regional body.

7. Each regional committee would work in close collaboration with already organized recreational bodies in the region; and with social welfare and health agencies where necessary.

8. The establishment, publication and enforcement by the Federal Department of Health, of minimum standards covering the following points:—

Adequate rest periods in accordance with type of work

Healthful standards of heat, humidity control, ventilation, clearance of air, etc

Standards of lighting in accordance with type of work for day, swing and night shifts.

Adequate washroom and toilet facilities and provision for regular cleaning and inspection.

Establishment of lunch room in every factory with adequate disposal facilities.

Availability of one hot meal per day for workers, either in plant cafeteria or nearby cafeteria; at low cost and prepared under guidance of nutrition experts.

More thorough system of safety inspection and precautions.

Governing of hours of work by scientific methods having regard to monotony, fatigue and special types of work with paints, chemicals, molten metals, heavy burdens, etc.

Special clauses having regard to standards for women.

Regular examination of employees with particular emphasis on prevention of spread of communicable diseases.

9. The institution of a National Health Campaign conducted by the federal department in collaboration with provinces and regional committees and other voluntary health organizations; with publicity through press and radio and distribution of posters and booklets.

10. A nationally planned recreational and physical fitness campaign.

11. Much heavier penalties for violation of clauses of P.C. 1550.

12. The organization through the regional committees, in co-operation with public health bodies, hospital, medical and nursing organizations of industrial health clinics on a co-operative basis, making wisest use of the available personnel and existing facilities. A pooling of all such resources in the community. Further encouragement for plant councils of labour and management.

13. Establishment through regional committee of many more child care centres.

14. Investigation and planning by regional committees of problems of housing and transportation, with recommendations to proper authorities.

15. Provision made now for the utilization and expansion of facilities for training of doctors, dentists, nurses with view to present and post-war health insurance plan.

A suggested method of operation would have to have regional committees make specific recommendations to the National Industrial Health Advisory Board which in turn would make recommendations to Minister of Health for adoption.

*Conclusion:* The plan suggested above does not attempt to cover all the problems. Due regard must be taken to shortage of personnel and materials. But with a minimum of effort, careful pooling of existing resources, a small expenditure and an intelligent national plan, such a program can have no other result than to greatly reduce a major cause of grievances between management and labour; considerably increase our production of war materials; cut costs of production; and lay the foundation for post-war health insurance expansion as planned by the Minister of Health.

Armed with a program, forceful direction and reasonable budget, the work could be undertaken at once without the necessity of awaiting new legislation or the calling of unwieldy conferences.

The health of our war workers is a national problem growing more serious every day. It calls for the immediate institution of a National Industrial Health Wartime Program. . . . Canada can take its place in the forefront of the United Nations in the field of progressive health measures, just as she has assumed a prominent position as fourth-ranking producer of war materials—a record achieved largely by the determination and aggressiveness of the workers themselves. Let the government back up its own acknowledgment that this is "the People's War."

### *The Cost of Living Index*

A. The index is based on a budget for a family with an income well above the average. That income (\$1,414 per annum for a family of 4.6 persons) is certainly not above the basic minimum considered necessary for such a family; it was certainly higher than the average Canadian family obtained at the time the studies for the index were made (year ending September 30, 1938). It would be fairer to base the index on a budget calculated on the average income actually received by Canadian wage-earner families. This would probably result in a higher proportion of the income being allotted to rent, food and clothing than in the present index, but it would ensure that the index reflected more correctly the increase in the cost of these necessities.

B. Various important foods are omitted from the index. The most obvious of the exclusions are fresh fruit and vegetables (with one or two exceptions, such as oranges, lemons, onions). The prices of fruit and vegetables—which certainly must be looked upon as necessities in the family budget—have been subject to considerable increases in the last

two years; a great deal more than the average for foods as shown in the index. Fresh vegetables are literally a "must" for the average family. There has been a steady upward trend in the price of fresh fruit and vegetables. The index of food prices on April 1, 1943, stood 128·7 as compared with 99·4 on September 1, 1939, and there is little question but that the increase would have been greater if there had been larger representation for fresh fruit and vegetables.

C. There has been a tendency to continue carrying in the index certain items which are no longer obtainable in the stores. Coke, automobile tires and tubes, steel frying pans and bananas were all represented until February of this year, in spite of the fact that they had not been available to the general public in quantity for some time. On the other hand, the recent increase in the price of cigarettes is ignored.

Mr. COHEN: What about the price of rolling your own?

Mr. BUCK: There has been an increase in that too. I do not think we should say a working family should have to roll their own, while other people buy tailor-mades. I certainly agree that there is money to be saved by rolling your own, but the point I want to make is that the cost of cigarettes has gone up, and that increase has been ignored in the cost of living index, whether we roll our own or not.

Mr. COHEN: There is a certain waste in rolling your own.

Mr. BUCK: That is right. I would think that the cost of living index is no doubt correct, but on the question of housing, the index ignores the fact that the shortage of housing compels people to pay more than the cost of living index shows.

Thus the index is stabilized in part by retaining it in the fixed prices of things which are not available or available in very limited quantities and ignoring an increase in the price of things that almost everybody buys.

D. The question of rent costs constitutes a special problem in view of the housing shortage in so many communities. Although it is probable that the quotations for rent are reasonably accurate in the sense that houses are rented at these prices, many families are forced to pay a higher rent in order to find a place to live. For example, the quotation for a six-roomed house with modern conveniences for Ottawa in February, 1943, is \$20 to \$30. Obviously the supply of such houses in Ottawa is not adequate for the demand. Families who would normally be in this rent class are having to pay higher rent. In Toronto for example, the rentals control committee is authorizing a rental of \$24 per month for two rooms, unfurnished.

A six-roomed house with modern conveniences in Ottawa in February, 1943, is shown as renting from \$20 to \$30 a month. There are some who do that, but obviously the supply of such houses is very short, and a large number of families have to move in and share houses, move into apartments and rooms, and pay a much higher rent than they can afford to pay. In Toronto it came to my attention some time ago that the rentals control committee had authorized this rental of \$24 a month for two rooms, one on the ground floor and one upstairs and unfurnished.

Mr. COHEN: Would this be an apartment?

Mr. BUCK: No; this was a six-room residence. The person owning it could not afford to keep up his payments on the house, and wanted to rent two rooms. He got permission to rent them unfurnished for \$24 a month, with heat and light but not with gas.



Mr. COHEN: How does that compare with the figures given in the index?

Mr. BUCK: The index says from \$20 to \$30 a month for a six-roomed house with all conveniences. I am not suggesting that the Dominion Bureau of Statistics does that deliberately, but it reflects the need for a much wider basis for their figures.

This effect of the housing shortage is, of course, not reflected in any way in the index.

E. One of the greatest weaknesses of the index is that it is calculated for purposes of bonus payments on a national basis, while prices vary from region to region and from store to store. Whether the best solution of this problem is to be found in regional cost-of-living bonus system or in measures to equalize prices is a matter of government policy but it must be noted that the discrepancies are substantial. The extent of regional variation in costs is shown in the following table from the *Labour Gazette* for March, 1943:

INDEX NUMBERS OF THE COST OF LIVING FOR EIGHT CITIES IN CANADA  
AT THE BEGINNING OF FEBRUARY 1943

Base August, 1939, equals 100

	Total	Food	Rent	Fuel	Clothing	Home Furnishings and Services	Misc.
Halifax .....	114.7	130.8	104.8	104.4	116.9	114.7	106.0
St. John .....	115.9	124.6	107.3	109.5	121.5	116.0	109.9
Montreal .....	118.8	132.0	108.3	116.3	123.2	117.6	105.7
Toronto .....	115.3	126.1	108.5	117.7	117.4	113.9	107.4
Winnipeg .....	114.1	126.8	104.4	107.1	117.1	115.8	105.7
Saskatoon .....	116.7	127.8	113.1	107.0	119.4	119.7	105.7
Edmonton .....	113.5	126.2	100.0	99.4	123.3	117.1	106.7
Vancouver .....	114.7	129.4	99.4	111.5	117.9	113.0	107.2

*The New Cost of Living Index:* The "new" cost of living index, published for the first time in 1940, reflects changes in the cost of a fixed budget covering retail prices of commodities, services and shelter costs based upon the expenditure-experience of 1,439 urban wage-earner families in the year ending September 30, 1938. The type of family was selected as representative of Canada's wage-earner population. However, it would seem that in selecting this representative sample, the Dominion Bureau of Statistics neglected what is perhaps the most important aspect for this purpose, i.e., income level. Family incomes in the 1,439 families represented ranged from \$450 to \$2,500 during the year ending September 30, 1938.

That this level of income is not representative of Canada's wage-earner group as a whole can be seen from the following comparison. The greater part of the families selected by the Dominion Bureau of Statistics as representative of Canadian families had incomes between \$1,200 and \$1,600. Figures based on a 10 per cent sample from the 1941 census\* indicate that 27.7 per cent of all wage-earner families in Canada had family earnings of less than \$950 per year and another 48.2 per cent had family earnings between \$950 and \$1,949. While the income divisions shown in this bulletin are too broad to admit of accurate classifications it would appear evident that well over half of all wage-earner families had incomes of less than \$1,450 for the year ending June 1, 1941. At that time incomes were considerably higher than they were during 1937 and 1938, when the "representative" families were studied for the new cost-of-living index.

\* Report No. 3, Occupations and Earnings.

The significance of the discrepancy in income level between those families in the Dominion Bureau of Statistics sample and wage-earner families as a whole is in the distribution of expenditures in their budgets.

The significance of this is there is a difference in the distribution of expenditures. It is quite obvious that a family with \$50 a week to spend can afford to distribute their income much better than the lower paid.

Mr. COHEN: That is the question I raised yesterday—the lower the income the greater the amount spent on food, and that item should have greater weight in the index.

Mr. BUCK: The cost-of-living index should be a guide to people in their buying, and for that reason the index should show the increase in food costs much more than it does.

Mr. COHEN: There was an answer given in the House of Commons to a question as to how this cost-of-living index was made up, and it was suggested that the base figure was arrived at by taking the average of three years prior to 1939.

Mr. BUCK: Yes.

Mr. COHEN: Suppose one disregarded that and took the absolute cost of living in 1939; has anyone given a figure as to what that would show? I personally cannot see why the average between 1936 and 1939 should be taken to show what the cost was in August, 1939, or what the increase has been since.

Mr. BUCK: There is always a great deal of danger in averages. On the other hand, unless you strike an average you may arrive at a figure which does not reflect the correct condition. You have a better chance by taking the average.

Mr. COHEN: Have you had any study made on what the situation would be if you took the absolute cost of living in August, 1939, and used that as the base 100 instead of the average over three years?

Mr. BUCK: It was a trifle higher in August, 1939, than it was for the average.

Mr. COHEN: That is the point I wanted to make.

Mr. BUCK: On page 4 of the appendix I gave an example of this.

If the Dominion Bureau of Statistics calculations are based on a budget for a higher income than the average Canadian wage-earner family actually receives, then the index gives insufficient weight to expenditures on "necessities"—i.e., food, shelter, fuel and clothing—more particularly insufficient weight to food. Since food prices and clothing prices have increased faster than prices of the other groups, the increase shown by the cost-of-living index does not reflect the actual increase in costs experienced by the average wage-earner family.

I do not disagree with this distribution for a family that has an income of \$35 a week and not more than two children, but it is obvious that a family with two children and an income of \$20 a week—and there are many thousands of families with more than two children who have incomes of \$20 a week—cannot afford to spend 22.6 per cent of that income for miscellaneous items.

Mr. COHEN: Those items are generally discarded in a family at poverty level, and that is what brings about the greater weight on the other items.

Mr. BUCK: Having spent the greater part of my life under conditions of trying to find a place to live and food to eat, I realize what you say. It was realizing this that caused us to do so much work on the brief for national health and national health insurance. With the appendices that are included in the record, I think what I have read should be enough to emphasize the points that should be emphasized.

The distribution of the budget on which the "new" cost-of-living index is based is as follows:

Food .....	31.3%	
Shelter .....	19.1	
Fuel and light .....	6.4	
Clothing .....	11.7	
Home furnishings .....	8.9	
Miscellaneous .....	22.61	
Health .....	4.3	
Personal care .....	1.7	
Transportation .....	5.6	
Recreation .....	5.8	
Life Insurance .....	5.2	22.6
	100.0	

The index is constructed on the assumption that only 68.5 per cent of the expenditures of the average Canadian wage-earner family is spent upon the elementary necessities such as food, shelter, fuel, light and clothing. It assumes that no less than 31.5 per cent of their expenditures are upon home furnishings, health, personal care, transportation, recreation and life insurance. It is difficult to conceive of a family of four or five, with an income of \$25 a week, or less, being able to spare \$7.87 per week for such things. It is far more likely that expenditures upon them have to be restricted in favour of rent, food, fuel and clothing. As a result the cost of their living, inadequate as it is, has risen more than the index suggests.

It would appear that the cost-of-living index budget should be based on the actual expenditure experience of Canadian wage-earners in a representative income level. The budget basis of the present index is probably quite fair to those wage-earner families who had incomes of \$1500 or more in 1938 (equivalent to \$1800 or more now) but it penalizes those in the lower income levels.

Mr. BUCK: With your permission I will now ask Mr. Dube to present the brief which deals with conditions in Quebec, and perhaps Mr. Freed will make a statement on behalf of the local members in Toronto. Mr. Dube will speak in French, but you have a translation. On page 4 where we deal with industry in Quebec, Mr. Dube has deliberately telescoped that in the French so that he can bring it out a little more broadly. I mention that so you will not assume he is leaving something out.

Mr. EVARISTE DUBE (Quebec Committee, Dominion Communist Labour Total War Committee):—

Gentlemen:—The problem of industrial relations possesses a special urgency in the Province of Quebec. In the first place, we have to do here with the second industrial province in the Dominion, the role of whose industrial production is of the greatest importance to our country's military effort against Hitlerite tyranny. In the second place, Quebec is in large measure French Canada, and an increasing part is being played by industrial issues in French Canadian life, in the establishment of English and French-Canadian unity, and in the political mobilization of our people for the coming invasion of Europe.

For these reasons the equitable settlement of industrial friction in Quebec, and the establishment of conditions of equality as between French and English-speaking workers in the country are matters of greatest urgency.

The present war of national survival is effecting a profound transformation of the conditions of life of the French-Canadian people. The democratic tradition, which for over a hundred years has been at the heart of our outlook, is affirming itself to-day with new vigour. The



most striking expression of this is to be found in the fact that tens of thousands of industrial workers are entering the trade union movement, both to protect their economic interests and to contribute in an organized way to the strengthening of our war production front.

This movement of organization is opening up new possibilities for harmonious partnership of labour and management in the fulfillment of the common task of producing arms with which to crush the axis. In a number of industries the trade unions in Quebec have set an example to the rest of the country in the setting-up of joint labour-management committees to increase production.

But despite this praiseworthy initiative, the labour movement has encountered obstacles and hostile resistance, due to the absence of a consistent and equitable labour policy on the part of the governments at Ottawa and Quebec. As a result certain anti-union employers have been able to victimize workers who sought to organize and are perpetuating social and economic injustices the existence of which compromises both national unity and our military effort.

Since the beginning of the war capital investment in Quebec industry has increased by some \$500,000,000 (*Financial Post*, February 13, 1943). Together with this increase in capital there has taken place the vast expansion of industrial output the greatest part of which is devoted to the requirements of the anti-Nazi war. But while the big corporations which dominate the Quebec economy have been reaping substantial and increasing profits, as will be shown presently; and while the cost of living has increased, particularly in Montreal, several points above that in the rest of the country—our extremely low wage levels have remained fixed, with slight exceptions at sub-standard scales, maintaining our workers in a position of economic inequality as compared with those obtaining in other provinces. This injustice which weighs upon the working people of Quebec is an obstacle to national unity, and undermines the foundations of the democratic morale of the French-Canadian people.

Consider the differential in the annual average wage in Quebec and the industrially-comparable Province of Ontario:

	Male	Female
Quebec .....	\$ 984	\$596
Ontario .....	1,127	640

(1942 Canada Year Book)

Mr. COHEN: Do those figures refer to wages only, or to both wages and salaries?

Mr. DUBE: To both wages and salaries.

No less than 59·2 per cent of the male wage earners in Quebec earn less than \$1,000 a year; of women workers, 83 per cent earn less than \$750 a year. What this means for living standards in the province as a whole can be gathered from the fact that there are now over three-quarters of a million wage earners in Quebec—three times as many persons as there are engaged in agriculture in our province. (1941 Census figures.)

The 1942 Report of the Department of Labour on *Wages and Hours of Labour in Canada* provides a multitude of examples showing the inferiority of the wages paid in Quebec in comparison with those paid in the neighbouring province. (See Appendix B.) Two instances may be cited here, one from the building trades industry in Quebec City, Hamilton, Montreal and Toronto, the other from Arvida and Sarnia. Bricklayers and masons in 1941 received 85 cents in Quebec; \$1.05 in

Hamilton; 92 cents in Montreal; \$1.12½ in Toronto. Carpenters in 1942 on construction work at Arvida received 75 cents plus 5 cents cost-of-living bonus; in Sarnia \$1.00 plus 3 cents cost-of-living bonus.

More striking still is the picture presented by the textile industry.

The average wage in textile in February, 1941, was \$22.74 a week in Toronto and \$19.36 in Montreal. According to the 1941 *Quebec Year Book*, the average annual wage in cotton textiles in the province was \$786.79.

Mr. COHEN: Are you still dealing with the average of wages and salaries?

Mr. LALANDE: I think Mr. Dube is dealing with the situation in the cotton textile industry.

Mr. DUBE: Yes.

Mr. COHEN: I appreciate that, but is this \$22.74 you give for Toronto the average wage or the average of wages and salaries?

Mr. DUBE: Wages and salaries.

Mr. COHEN: It is wages and salaries throughout?

Mr. DUBE: Yes.

Mr. LALANDE: The authority is the *Quebec Year Book*?

Mr. DUBE: Yes.

At the present time, in the mills of the Montreal Cottons Limited, wages of 20 cents, 23 cents and 25 cents an hour are being paid. In one mill the individual weaver is in charge of 68 looms as compared with 25 looms only a few years ago, and the company estimates the operating cost per loom at 5 cents per day. Children of 13, 14 and 15 years of age are employed in these mills—numbers of these until very recently, in one case at least, on the night shift. Between 1941 and 1942 the operating profits of Montreal Cottons Limited increased from \$1,868,080 to \$2,063,919. The net earnings of the parent company, the Dominion Textile, increased between 1939 and 1942 from \$2,481,327 to \$11,790,000.

These increases in profits, made possible by the maintenance of disgracefully low wages, while production and productivity are tremendously increased, are to be found in the reports of most of the major corporations operating in Quebec, although in company reports these increases are camouflaged by the allocation of large portions of the operating profit to reserves, depreciation and "expected taxes".

The exceptionally low wage levels in Quebec, which in effect have been frozen by Order in Council 5963, find their reflection in conditions of public health which are a national disgrace. The "demographic data" for 1941 published by the provincial government show the following: While the death rate from tuberculosis is 26.9 in Ontario, in Quebec it is 80.6; in Quebec City, 108.1; in Chicoutimi (the Arvida area) 143.4; and at Thetford Mines 259.5—nearly ten times the rate in Ontario!

These figures speak for themselves with a grim eloquence. They bear witness to a state of affairs that is harmful to the effectiveness of our war effort and to the welfare of the whole Canadian people. The raising of substandard wages in industry is the indispensable precondition for the betterment of the general standard of living in the depressed area that is French Canada.

Mr. LALANDE: Surely when you refer to this—as expressed in the English text—"depressed area that is French Canada", you are referring to certain industrial low wage centres in the Province of Quebec?

Mr. DUBE: Yes, those areas which are given here are those referred to.

Apart from all of these considerations the conditions of economic inequality from which my French-Canadian compatriots suffer are a source of constant friction and discontent which provide a fertile soil for the seditious demagogy of anti-participationist pro-fascist elements. The correction of the extreme economic abuses in Quebec is imperative in the interest of the productive effort in which our people, together with all other Canadians, are playing such a tremendous part. It is necessary if we are to rout the isolationists and defeatists who are working to undermine national morale by fomenting disorder and playing upon injustices with the purpose of assisting the Axis enemies of Canada.

The alarming crisis in industrial relations, and the issues which are at the root of it are mirrored in the figures showing the number of employees involved in applications to the national and regional boards in Quebec as compared with Ontario:

Quebec .....	619,632 or 39.5% of the total
Ontario .....	519,265 or 33.1% " "
Number of employees asking for:	
	Cost-of-living bonus      Wage increases
Quebec .....	183,904 (56.6%)      181,013 (37.6%)
Ontario .....	77,128 (23.7%)      99,800 (20.7%)

Thus, there have been nearly twice as many workers asking for wage increases and more than twice as many asking for cost of living bonuses in Quebec as in Ontario. This fact very clearly reflects the special character of the industrial problem in our province where conditions of flagrant economic inequality cry out for a prompt and equitable solution.

As urged in the main part of our brief, as submitted by Mr. Buck, the mandatory recognition of the right of trade union organization, and the revision of the present wage policy of the government are essential for the solution of the labour relations crisis in Quebec. Democratic reform of labour policy is the key to solving the problems of political mobilization and national unity of French and English-speaking Canada. The labour movement, in organizing tens of thousands of workers in the fight for sustained and increased production, and for raising sub-standard, starvation wages in Quebec, is making an enormous contribution to our national war effort. In striving to bring about national equality of the Quebec workers with those of the rest of the country it is contributing more than any factor to cement the national unity of all Canadians.

On the Federal and Provincial Governments rests the grave responsibility for doing their full part on behalf of national unity for victory, by adopting policies and legislative measures which shall guarantee to our workers the full exercise of their democratic rights—and by establishing with the organizations of the labour movement the relations of full partnership which a maximum effort requires in this hour of supreme crisis of our national existence.

Mr. BUCK: I would like you to note that on page 9 of Appendix A we have given the statistics of wages in various industries in a number of cities.

Mr. COHEN: Is that in the copy you have furnished the reporter?

Mr. BUCK: Yes.

Mr. COHEN: It will be in the record.

Mr. BUCK: Mr. Frood has informed me that he thinks the subject has been covered, and that the board has been very patient. He says his constituents will be quite satisfied if he does not speak.



I wish to express our appreciation of the way in which the board has received us.

The CHAIRMAN: Thank you very much. It is evident that a great deal of work has been done in the preparation of this brief.

Mr. IRVING BURMAN (Lodge 712, International Association of Machinists): Mr. Villeneuve will read the first brief to you, Mr. Chairman.

Mr. VILLENEUVE: On behalf of the lodges of the International Association of Machinists I will present a brief that was originally supposed to be presented by Mr. Robert Haddow, grand lodge representative of the Association, who has been called to Fort William and has asked me to replace him to-day. The first part of the brief will be on the convention recently held by the lodges, and the second part will be a memorandum, presented by Mr. Burman, of the proposals made on behalf of the Canadian aircraft lodges.

The aircraft lodges of the International Association of Machinists in Canada, representing over 40,000 organized workers, the overwhelming majority of Canadian Aircraft workers, welcome this public inquiry and fervently hopes that it results in constructive proposals and action which will strengthen our national war effort. The criticisms and constructive proposals we make here, endorsed by the annual conference of I.A. of M. aircraft lodges held at Winnipeg, Manitoba, May 3rd to 5th, 1943, are made with the single object of strengthening the national war effort, speeding the attaining of victory over Hitler and contributing towards helping to lay a solid foundation for durable, democratic reconstruction in the days of peace after the United Nations achieve victory.

### *Federal Labour Code*

Our first proposal is that this inquiry should result in the recommendation that the federal parliament at its present session enact legislation providing for the recognition of the right of Canadian working people to organize into labour unions of their own choice, to make it mandatory for employers to negotiate and conclude collective agreements with the labour union of their employees' choice, and to forbid, under severe penalties, employers setting up company unions.

We consider that it is entirely out of harmony with the times, and in sharp contradiction to the Atlantic Charter and the aims of the war our country is waging against Hitlerism, that Canada, among all the United Nations' powers, is the only country which does not have clearly-defined legislation outlining and guaranteeing the rights of the working people to labour union organization and collective bargaining. Such a state of affairs is in flat contradiction to the aims of the war we are waging.

We consider, on the basis of the experience of the Canadian Labour Movement, that P.C. 2685 which lays down the wishes of the Federal Government is without force of law, and therefore inoperative in actual practice. To properly guarantee and protect the rights of Canadian labour the principles enunciated in P.C. 2685 must be codified by enactment of the Dominion Parliament.

Our proposal is:—

That the Federal Parliament enact a federal code of labour rights which will clearly define and provide the legal basis for enforcement of the rights of all Canadian workers to join the labour unions of their own choice, and to compel the employers to bargain with the unions of their employees' choice.

*National War Labour Board*

Our second proposal is that the National War Labour Board be given powers to enable it to properly handle major labour questions. This, to our mind, means that the National War Labour Board should be charged with the duty of administering and interpreting a federal labour code as outlined in our first proposal, and that arrangements should be made to bring all Provincial Regional War Labour Boards under the jurisdiction of the National War Labour Board.

Definite procedure, strictly setting forth the rights and duties of labour, the employer and the machinery of the National and Regional War Labour Boards, are necessary.

Mr. COHEN: Where you go into procedure there you can probably omit reading it. It will all go into the record. Is that all right?

Mr. VILLENEUVE: Yes. Our proposals are:—

(a) That whenever a labour union can prove that it represents over fifty per cent of the workers in a particular plant or industry, such union shall be granted sole collective bargaining rights.

(b) If the employer, or employees in such case where the union can show it represents over fifty per cent of the workers are not ready then to negotiate a collective agreement, the War Labour Board shall be empowered to hold an election among the workers for the purpose of finally proving whether the Union represents more than fifty per cent of the workers.

Or, it shall be legal for a union claiming to represent over fifty per cent of the workers in a plant or industry to render proof of such fact to the War Labour Board, and be entitled then to an election to decide the collective bargaining agency.

(c) Definite time limits should be set and adhered to, such as for example that, when a union proves it is entitled to an election, such election should be held within fourteen days, and when a union wins such an election the employer should be legally bound to get together with the union for the purpose of negotiating a collective agreement within one week after such election, and finally, except where the union and employer make joint application to extend the period of collective bargaining negotiations, it should be required by law that all collective bargaining negotiations be concluded within twenty-one days from the date the union submits its proposed agreement.

(d) The War Labour Board shall have the power to decide upon the merits of the claims of a union regarding wages, conditions and other matters, if an employer and a union reach a deadlock, and the rulings of the WLB in such cases must be binding upon both parties, and a definite time must be set for the employer to obey such rulings.

(e) It must be made a criminal offence for employers or their agents to establish company unions in any shape or form.

(f) It must be made a criminal offence for employers or their agents to compel workers through the signing of yellowdog contracts to give up their rights in respect to joining the union of their own choice as a condition of their employment.

*Emergency Action Needed*

It is our contention that this public inquiry is held during a very serious emergency. We hope that its work will be done quickly and that this session of parliament will give legal effect to recommendations for collective bargaining legislation which we feel sure will result from this public inquiry.

Our organizations—the Canadian Aircraft Lodges of the International Association of Machinists have a war record second to none. It was our organization which pioneered the fight to establish joint labour-management production committees. It can be truthfully stated that we have built up our lodges, representing over 40,000 Canadian aircraft workers, amidst all kinds of trouble and company-union provocation, but but we were able to avoid being forced out on strike. The lock-out by the Minister of Munitions of our Vancouver Lodge 756, involving 8,000 workers and stopping production of the greatly-needed PBY flying boats, is the first major case of an interruption in our industry, since the war started. However, the truth is that in our industry, and in most others in the country, a situation has gradually come about where the workers are very dissatisfied and resentful, and it must be said that there are many propositions made for direct action.

In the fourth year of war, it appears to us, the workers of this country, and especially the organized workers, are getting fed up with the glaring inequalities of the war effort, the ignoring of organized labour's contributions and constructive proposals, and the absence of modern labour legislation and labour partnership. Instead of promises being kept, labour has far too often been made the victim of pious platitudes and provocations.

We contend that Director-General Ralph P. Bell should have gone to any and all lengths, in co-operating with International Association of Machinists Lodge 756 and the National War Labour Board to maintain production at the Boeing Vancouver and Sea Island Plants. Instead, apparently under the orders of Mr. C. D. Howe, Minister of Munitions, Mr. Bell deliberately ordered a lock-out of our members. This is harmful to the war effort.

Last month, at the Malton Victory Aircraft Plant, the Management, on orders from Ottawa, ignoring the agreement with Lodge 717, gave orders for the laying-off of several hundred workers. The pattern was the same: Ignoring organized labour and treating our union as though the idea was to break it to pieces. This, at the plant which is charged with the job of producing Lancaster bombers.

We were hard pressed in our Montreal Lodge 712 to avert a strike at the beginning of this year, because of the fact that while a company union set up in our Montreal Aircraft Industry was long ago awarded the full cost-of-living bonus, the claims of Lodge 712 for the full cost-of-living bonus were rejected and kicked around for the best part of a year. As the WLB knows, when we finally were awarded the full cost-of-living bonus, we were penalized for our patience, because up until now our members have not been awarded the bonus retroactive to July 1st, 1942.

When workers experience these things, when they read that rich dollar-a-year men at Ottawa, who get more for a day's living expenses than some workers earn in a week, threaten to resign if their \$20.00 a day expenses are taxed, when the workers know that the government has given tremendous assistance and concessions to the corporations, and when little is done to really stabilize industrial relations—it is no wonder that we are getting into a dangerous situation. The patience of the workers is wearing thin.

We contend that there should be no premium put on company unionism.



We contend that in order to really stabilize industrial relations it has become necessary to adopt and operate a full total war industrial policy. It is the responsibility of government to do this.

### *Stabilization Proposals*

The enactment of collective bargaining legislation will be a great step forward, and providing such legislation is enforced in all provinces, it will help to strengthen national unity and the present campaign to back the attack upon Fascist Europe. But the enactment of a federal collective bargaining act by itself will not be enough to solve the present serious situation in our industrial relations. For that we need a series of measures which together would result in a much more equal sharing of the present war burdens among all our social classes.

Among the measures we would propose are the following:—

1. Revision of present government wage control policy. We favour wage control, but it should be democratic wage control which places a floor of at least fifty cents an hour and a minimum of twenty-five dollars a week under the wages of all Canadian workers, male and female, over eighteen years of age (with equal pay for any under eighteen years doing the same work as adults). Furthermore, there should be more rigid control of prices and costs of living, to reduce the gap between the real buying power of wages and the rises in the cost of living. The present federal cost-of-living index must be revised to include the main necessities bought by the majority of Canadian workers.

2. Immediate measures to raise sub-standard wage rates now prevailing in the Province of Quebec.

3. Revision of present taxation policy which apparently permits the corporations to wipe off tremendous capital gains by the method of special depreciation allowances.

4. Introduction of rationing of all basic necessities, to ensure fair distribution of consumer's goods available.

5. Immediate granting of representation to labour in all the war boards handling questions of production and labour-employer relations.

6. Granting of labour representation in the committees studying problems of post-war reconstruction.

Mr. LALANDE: Do you contemplate a situation in which two unions would be established in the same plant? I find your proposals very interesting, by the way.

Mr. VILLENEUVE: Yes, we do, but in reference to this I do not think there is such a thing as two unions being really established in a plant. One must have a majority, so that this majority must rule and carry on the contract that is in force.

Mr. LALANDE: But there may be a substantial minority.

Mr. VILLENEUVE: Nevertheless I believe it has been proven to the satisfaction of those who have followed this policy that where a union has had fifty-one per cent of the workers in its ranks, that union is the sole bargaining agency. We can substantiate those statements.

### *Conclusion*

We, along with the rest of the Canadian labour movement, want to do all we can to back the attack upon Hitler which was planned at the Casablanca conference. Labour is the class which stands to lose more than anybody else if Hitler wins. It is fair to say that the majority of

the men and women in our armed forces who are ready to give up all they possess to defend Canada came from the working classes. The great production records our country has achieved, and which have astounded friend and foe, are in part the result of the sweat, sacrifice and effort of the working classes. We of the Labour Movement know that the war is far from won yet, but we believe that it can be won quicker than many think once the attack on Europe develops into the opening of a western front. Hitler will not long stand against two front land war, great offensives from the air, and the revolts of the European people. It is because we realize these things, and know that the quicker we win this war the less lives will be lost, and the stronger Canada and the world will be to tackle and solve the post-war problems of making certain that the world is never again engulfed in a terrible war, but that men and women of all nations will be able to work in peace and freedom, immune from the menace of war, unemployment and the lack of social security.

It is our great hope that this public inquiry will result in the Federal Parliament realizing that, both from the standpoint of strengthening our national war effort, and laying a foundation for the post-war period, it has become very necessary that broad measures be put into effect to stabilize labour relations and the war effort.

The CHAIRMAN: Thank you.

Mr. BURMAN: It was not possible to document all this memorandum completely, and some questions may arise. I want to make it clear that this is not a programmatic brief. It is not definitely a program. It is merely in the nature of supporting evidence and comments from the National Conference which we thoroughly endorse.

The brief submitted to this inquiry by the National Conference of Aircraft Lodges of the International Association of Machinists was drawn up and approved at our conference held recently at Winnipeg. This brief puts forward the general proposals and program of our Aircraft Lodges. The present memorandum attempts to supply evidence, in support of these proposals, drawn mainly from the experiences of Lodge 712. Our other lodges have had many similar experiences, and the evidence submitted here is given as illustrative of the problems which we have faced on a national scale.

### *Collective Bargaining and Federal Labour Code*

One of the characteristic features in labour relations in Canada to-day is the desire of employers to adhere to an outmoded concept of labour-management relations,—the paternalism of years ago. In an era when genuine trade unionism, free from employer control, has become a basic essential for the preservation of our democratic processes, and when honest collective bargaining is the only method of preventing anarchy and chaos in industry, we find many employers still trying to use the hypocritical dummy of company-unionism, and paternalistically suggesting that "they want to deal with their own employees, free from any outside influence." It is our belief that present government policy and machinery seems to encourage and aid this attitude.

Lodge 712 has been able to establish a sound collective bargaining relationship with several of the major aircraft companies in the Montreal area. This relationship has existed for several years, and we have found that it has led to excellent co-operation between labour and management in the plants of these companies. As indicated by the representative of one of these companies at the preliminary hearings of this inquiry, the

good relations between his company and Lodge 712 has been a vital factor in helping to maintain and increase production. The high employee morale which exists in these plants is well known, and we are convinced that this high morale is in large measure due to the self respect and independence which a strong and independent organization of their own, free from company control, has given to the workers in these plants.

We have had several experiences, however, which have led to very different results, and we wish to cite some of these in detail, in evidence of the need for definite federal regulations.

One of these cases involves the aircraft section of the Canadian Car & Foundry Company's Turcot plant, generally referred to by the Company as their Anson Wings Department.

In the late summer of 1941, our organization was approached by a group of workers in this plant, seeking organization. They told us of having circulated a petition for a wage increase, and presenting it to the management. This action had been taken before we had any contact with the group, and was not connected with trade union activity in any way. The company had replied by discharging the spokesman who presented the petition.

We set about organizing the plant, and then asked the company to negotiate an agreement with our organization, similar to that in force in our other plants. This the company refused to do, and on September 26, 1941, we applied for a Board of Conciliation. *At that time, practically 100 per cent of the employees in this plant were members in good standing of our organization.* On one pretext or another, under the guise of attempts by the Department of Labour to "conciliate" the dispute, the Board was not established until May, 1942.

Mr. COHEN: I do not quite follow that. Do you mean to suggest that you applied for a board in September, 1941, and that it was appointed only in May, 1942?

Mr. BURMAN: That is absolutely correct. There is quite a lot of detail about that. We did not attempt to put it in.

In the interval, the company had used every trick, including intimidation, mass lay-offs, and the use of the company-union set-up which existed in the car-building section of the works, to destroy the organization. When we complained recently in a letter to the Prime Minister of the dilatoriness of the department in establishing this Board of Conciliation, the Minister of Labour defended himself (see Exhibit D) by stating that our organization had agreed to the delay in that we had concurred with and participated in the conciliation efforts of his department. We can only conclude that the minister took our failure to go on strike illegally during this period as a sign of agreement with the delay, because we used every other form of representation known to us to constantly urge the speedy settlement of this matter, and complained many times of the delay.

An examination of the majority report of the Conciliation Board, published in the *Labour Gazette* for August, 1942,—

I have not attempted to put in this report—

Mr. COHEN: We can refer to it.

Mr. BURMAN: (reading)

reveals a scandalous disregard of the basic principles laid down in P.C. 2685, and points out as clearly as anything we have yet seen the need for a definite federal labour code. In addition to a number of arguments



which were little more than frivolous, the company advanced the argument that its employees were already covered by a "Collective Labour Agreement", which was in fact nothing more than a provincial government decree, specifically covering employees engaged in the car-building section of the plant only, and which, according to a letter received from the Deputy Minister of Labour of Quebec, in no way prevented the negotiation of a particular agreement between the company and Lodge 712. "This 'collective agreement' has never been anything more or less than a company union agreement, and most of the employees never even knew of its existence until they attempted to form a bona fide organization. It is significant that when, at the request of the company, the aircraft employees recently elected representatives to the Works Council—"

This took place after the second report of the Conciliation Board was turned in, after it reconvened.

most of whom happened to be members of our Association—these representatives were never allowed to sit on the Council, on the excuse that the aircraft section did not come under the "agreement."

After receiving the unfavourable report of the majority of the Conciliation Board, our members demanded that a strike vote be taken. This was done under government supervision. The result showed that, by a vote of 456 to 101, the employees favoured strike if Lodge 712 was not recognized by the company. It is significant that there was no wage question involved by that time, as the company had already indicated that it was prepared to pay the same rates as in our other shops, and it was already paying a higher cost of living bonus than prevailed in the other shops.

We mention this as a reply to the allegations, that have been made from time to time, that you can get anybody to vote for a five cent increase. This was a straight vote on a question of recognition. There is no doubt about it; the employees had grievances.

Immediately after the vote making strike action legal, the men demanded that we give the company a 48-hour ultimatum. Because of our desire to avoid strike action, we managed to convince the workers to ask for the reconvening of the Board, using the result of the vote as evidence of the workers' desire to be represented by Lodge 712. This request was made by means of the attached brief to the Minister designated as Exhibit A.

The reason we include this brief is that in it are contained the basic arguments that we used in replying to the report of the Board.

Once again there were long delays, and the hearings of the reconvened Board dragged on for months. The majority of the Board reached the same conclusion as before,

Mr. COHEN: It was the same Board?

Mr. BURMAN: Yes, the same Board.

in spite of the evidence of the government-conducted vote, and used the occasion to direct a violent attack against our organization for refusing to produce a list of our members to a Board, the majority of which, in our opinion, had shown itself as prejudiced in favour of an unscrupulous employer. (See majority report of Conciliation Board in *Labour Gazette* for November, 1942.)

Another case may be seen in the Point St. Charles plant of the Canadian Car & Foundry Company.

Mr. COHEN: This is not the same plant that Mr. Mockridge spoke about at another hearing?

Mr. BURMAN: No, that is the steel foundry plant.

The first agreement covering this plant was signed in July, 1940, when the plant had about 150 employees engaged in tool and die work. In 1941, when the time came to renew this agreement, we asked the company, along with the other companies under separate contract with our Lodge, to sign a joint blanket agreement covering all the shops. The company stated that it wanted a separate agreement, but would sit in the joint negotiations, and agreed to sign an agreement containing the same main principles as contained in the blanket agreement. In the meantime, in September, 1941—

while negotiations were still going on—

the company on its own initiative and without consulting us, instituted the payment of the full cost of living bonus under P.C. 7440, retroactive to July 1, 1941.

When the blanket agreement was signed in November, 1941, we approached the Point St. Charles management to sign a similar agreement. Approval was obtained from the National and Regional War Labour Boards to sign for the same wage rates as existed in the new blanket agreement. During the negotiations, however, the question of bonus came up, and the company wanted to eliminate this bonus, and in fact, made several attempts to cut the bonus, but were prevented from doing so when the employees took matters in their own hands and threatened to stop work if the bonus were cut.

The Regional Board ruled that the bonus could not be reduced directly or indirectly, but suggested adjusting the wage rate to provide equal total compensation with the blanket agreement. Our contention that under the Order in Council, the questions of bonus and wage rates were separate was ignored, and the Regional Board finally ruled in accordance with its former suggestion.

A solution to the impasse appeared when the company offered to maintain the bonus as of July 1, 1942, and deduct the previous extra bonus payment from the retroactive wage increases which had accrued during the year previous. This offer was accepted. This seemed to solve the problem, until the Regional Board stepped in and charged the company with violating the Order in Council, and ordered them to reduce the bonus. The Regional Board took this action in spite of the fact that it had only a few weeks previously approved of a company-union agreement in another plant of the same company.—This was the aircraft division in the Avro plant,—which called for the full cost of living bonus and the same wage rates. The situation created by this action was bad enough, but it was then aggravated by the company's actions, a description of which are contained in the attached letter addressed to Mr. M. M. Maclean, Director of Industrial Relations in the Department of Labour, designated as Exhibit B.

I want to comment on this. The story illustrated in this letter is clear evidence of the manner in which existing legislation is used by the employers to undo union objectives. That was seriously used by this company provocatively, and we are not sure that they did not have assistance and actual collaboration.

Here, again, we have an example of the need for legislation which will place the question of union recognition on a four-square basis, and outlaw company unions. It is to the credit of the Department of Labour

that on this occasion, it refused to accede to the demand of the company-union group. It is significant that during the negotiations with the department on this question, the main spokesman for the so-called "Association of Employees" was Mr. George Walsh, the company's personnel director.

In making proposals for legislation that will make collective bargaining compulsory and outlaw company unions, we believe that this problem must be solved on a national scale, as the whole national interest is affected by it. Further, we believe that such legislation must go beyond the immediate problems connected with the war, but must lay the basis for sound industrial relations in the post-war period. The strains and stresses in labour relations arising out of the war situation, difficult as they are, will be as nothing compared to the problems which will exist on the cessation of hostilities. Canada has a great future as a democratic, industrial country, but this future may be threatened if predatory interests are able to operate in the post war situation unchecked by a strong, free Trade Union movement.

### *Wage Control Policy*

The case of the recently-concluded negotiations for the Lodge 712 agreement covering the Canadian Vickers, Fairchild and Noorduyn plants affords an illustration of the contradictions contained in present wage policies, as well as the ineffectiveness of present government labour relations machinery.

"After the negotiations in 1941, which dragged on for six months, we thought we had all learned a sharp and bitter lesson in the industry. On this occasion, because of their disgust over the long drawn out Conciliation Board proceedings and negotiations, and as the only alternative to strike action, the workers voted to accept an agreement that left many of the major issues unsettled,—to become the basis for future misunderstandings. In return for increases of two, three and five cents per hour in the various classifications, the workers had to refund a cost of living bonus of \$1.47 per week. In addition, many of the classifications were highly unsatisfactory. The long delay in concluding this agreement, and its unsatisfactory nature, played havoc with morale in the shops, and production was seriously threatened several times.

This agreement expired in June, 1942, and negotiations were opened for a new agreement. The demands made by the Lodge were simple, and we tried to confine them to the basic essentials. We hoped that the negotiations could be concluded, and the new agreement signed, within a few weeks. The "boost-production" efforts of our Lodge were just beginning to bear fruit, and we did not want to see this work destroyed by the same conditions that had arisen in the previous year's negotiations. Here is what actually happened:

Now, I think the story of this matter is fairly familiar to the Board. A good deal of documentary material has been supplied to the Board on this particular incident. With the Board's permission I will go on to some of the proposals.

Mr. COHEN: All of that is in your brief?

Mr. BURMAN: Yes, it is in the memorandum. It is not all on the brief. It will be in the record.

Negotiations opened with the companies on June 10th, and lasted for a month. One of the main reasons that they took as long as this was that the companies did not wish to even discuss questions involving wage rates or classifications, for fear that they might be running contrary to government policy, while we were trying to have the companies make



a joint submission, with ourselves, to the Regional Board. The proposed agreement, with the union's proposals for adjustments in wage rates and an increase in the cost-of-living bonus, was presented to the Quebec Regional Board on July 14th. Then came six weeks of delay, during which time our application was tossed back and forth between the Regional and National Boards. Resentment began to grow in the shops, and our Shop Committees were under terrific pressure. It was during this period that the Point St. Charles agreement was signed with the Canadian Car & Foundry Company. On August 26th, we received a reply from the Regional Board, rejecting all our proposals, without answering any of the arguments that had been advanced by our Lodge.

The workers burned with indignation, and at a meeting held on the day the decision was received, they voted to send a delegation to the Minister of Labour, to try to obtain a reconsideration of the decision.

It was arranged that our case would be reconsidered by the Regional Board the following week. The companies had by this time become seriously concerned over the crisis that existed in the shops, and offered to join us in a portion of our demands,—that is, with regard to the payment of the full cost-of-living bonus. This was done in the form of a formal request from the companies to permit the payment of the full bonus. This action was taken by the companies after one of their representatives had communicated with an officer of the Regional Board and been assured by him that the Canadian Car agreement was perfectly legal. When we appeared before the Board, we were therefore amazed to find that the Board showed very little desire to discuss the application which we had submitted to it but instead devoted most of its attention to attacking our action in signing the Canadian Car agreement, declaring that this agreement was illegal. It took us almost two months to uncover the reason for this confusion, and when we did, we found a very disturbing situation.

What actually happened was that two separate plants of the Canadian Car Company had been confused. A few weeks before we signed our agreement with the company covering their Point St. Charles plant, the company had entered into an agreement with an "Association of Employees" in its "Aircraft Division," or Aero plant. As is often the case with such company-union agreements, the matter was given no publicity, and many of the employees covered knew nothing about it. The agreement contained the same minimum rates as contained in our blanket agreement, and called for the payment of the full bonus. This agreement was approved by the Regional Board, and signed on August 8th. It appears that when the officer of the Regional Board referred to above was contacted by the companies' representative, his reply had reference to this agreement, and not to the Point St. Charles case which we had been discussing. The reason given by the Regional Board for having approved this agreement while at the same time rejecting our application was that it had been submitted together with a statement from the company that these rates, together with the full bonus, had been paid prior to November 15, 1941. We believe that this affords as clear an example as we have yet seen of the ineffectiveness and lack of realism of the government's present wage policy, and its effect on the workers in our shops can be readily imagined. It should not be difficult to understand, too, why we came to the conclusion that this decision was an attempt to undermine our organization by seeming to give preference to

a company-union, and our conviction in this regard was strengthened when the Canadian Car management did everything in its power to place this interpretation before its employees.

Following the second rejection by the Regional Board of our application, the continued crisis in our shops can hardly be described. Our members, finding all other channels for the rectification of an evident injustice seemingly closed to them, began to demand strike. Together with the managements, we invited the Minister of Labour to discuss the matter with us, in an attempt to reach a solution. The minister came to Montreal, toured the plants and then gave us a two-hour lecture on a variety of subjects, but he showed little evidence of any desire to tackle the problem which faced the industry, or to help us in its solution. The minister promised that we would hear from him further, but evidently he forgot about this, and we did not hear from him until we asked for an interview with the Prime Minister some months later.

When we learned of the existence of the Canadian Car company-union agreement in October, we addressed another request to the Regional Board to reconsider our application. The Regional Board merely acknowledged receipt of our request, but gave us no decision. By the middle of November, we came to the conclusion that we could get nowhere through these regular channels, and we appealed for redress to the Prime Minister in an open letter (Exhibit C) which was widely circulated throughout Canada. We did this with the object of bringing our case before the government and the Canadian people, for we recognized that the problem which we faced was not an isolated instance, but reflected an attitude towards labour which was threatening the national war effort, and called for the attention of the government and the people.

Another month went by, and still we received no reply from the Regional Board, and no action from any other quarter. Agitation in the shops for strike continued to increase, and at the same time a condition had developed in many other industries in our area which bore all the indications of a possible general strike. We requested an interview with the Prime Minister, but were referred to the Minister of Labour instead. In the interview, the minister seemed concerned only with a defence on technical grounds of the government's policy, and evidenced little desire to realistically face the crisis in our industry. Some of those in our delegation even got the impression that the minister was really not very much concerned about whether there was a strike or not.

A small incident occurred just at this time which seemed to us to have particular significance. When we returned to Montreal from Ottawa, we found an item in the press, bearing an Ottawa date line, which stated "Officials of the International Association of Machinists said to-day that between 15,000 and 20,000 workers in Montreal aircraft plants will go on strike early in the New Year unless demands for increased cost-of-living bonus and basic rates receive government approval....." The members of our delegation had been together during our entire stay in Ottawa, and were not even approached by any representative of the press, and certainly no statement was given out. Even in our private interview with the minister, nothing resembling the above statement had been said. We were forced to conclude that the statement had been inspired by someone in Ottawa who was interested in smearing our union and in provoking trouble in our shops. We had been telling our people all along that there must be no strike in aircraft under any circumstances, and the effect of this "statement," which was given prominent display in the Montreal press, was to destroy much of our work in this connection.

Shortly after the New Year, we received an official reply from the Minister of Labour to the representations made at our interview, in the form of an eight page letter (Exhibit D). In its insistence on technicalities, its evasion of the issues, and its belligerent tone, this letter affords a classic illustration of how not to handle labour disputes, if trouble is to be avoided.

A mass meeting was called for January 10th, and at this meeting the members of our Executive Board, one after the other, were booed off the platform when they spoke against strike action. The meeting voted for the immediate taking of a strike vote, and defeated a proposal that the agreement be signed with the old rates, while other channels were being tried out to obtain a settlement of the bonus question. The most significant factor in this meeting, however, was the fact that a small but exceedingly vocal group of anti-war elements,—most of whom had taken little or no part in union activities previously,—were able to take virtual control of the meeting, while the leadership of our union,—which stood uncompromisingly against strike action and in support of the war,—was left in an impossible position.

Realizing that the membership as a whole should have the opportunity to express its democratic will on so important a question, our executive decided to take a referendum of our entire membership to determine whether the members favoured our requesting that a strike vote be taken by the government. The returns showed 70 per cent of our members in favour of a strike vote being taken. When we requested that this vote be taken, however, the Minister of Labour refused to do so,—again on technical grounds,—without making any attempt to suggest a solution to the crisis, or to help in any other way. Instead, the minister cited in detail the penalties which apply to those striking illegally, and indicated at the same time that all other channels for taking up the case were closed. This, coming immediately after the conclusion of the steel strike, added more fuel to the flames.

As a last desperate resort, we sent our entire Executive Board to Ottawa, with instructions to stay until they had seen the Prime Minister, or obtained satisfaction elsewhere. After conferences with a number of ministers and other members of Parliament, as well as all the opposition groups, our people were given a letter by Mr. MacNamara, Deputy Minister of Labour (Exhibit E) stating that the whole case was to be reviewed immediately and that it would be given careful reconsideration. At the same time, he stated that it was the government's intention to declare the aircraft industry one which comes under the purview of the National War Labour Board. Before leaving Ottawa, our delegation received assurance from Mr. MacNamara that this latter declaration had received cabinet approval. We had made no demands or proposals in connection with this question, but we accepted the government's proposal in good faith as a great step forward, and the publicity which we gave it among our members was decisive in keeping the situation under control during the following two months, while we waited for the final decision in our case.

Mr. COHEN: You want all this to go in the record?

Mr. BURMAN: Very definitely. We have described here the steps we took to bring our case to the attention of the government. We definitely faced a strike. There was no means to avoid it. As a result our Executive Board came to Ottawa to interview the government heads. On that occasion our organization was given a letter which is Exhibit E, by Mr. MacNamara. He stated to us it was given with the authority of the cabinet following the meeting, to



indicate that the whole matter would be looked into by the representative of the Department of Labour, and given prompt and sympathetic consideration. Then he stated to us that in addition it was the intention of the government to declare our industry as coming under the purview of the National War Labour Board. We accepted this in good faith and used it in Montreal in a very public way. It was these proposals from the government that kept the situation under control in the following two months. As things stand now, our members are demanding to know why that promise has not been fulfilled.

Immediately following our visit to Ottawa on this occasion, and after we had already submitted a new brief to the National War Labour Board, the Board was reorganized into its present form. Although we had been promised action within a few days, we understood the difficulties which faced the new Board in that period, and we carefully explained these to our members. We did our best to avoid putting any undue pressure on the Board during the following two months, until the general crisis arising out of the Montreal Tramways strike. Fortunately, the Board had already cleared the road for the release of its decision in our case, and the decision was communicated to us on the day following the "settlement" of the Tramways dispute. The Board granted the full cost of living bonus to our people, but found itself unable to make this retro-active to the date our last agreement expired. As this matter is now before the Board, we do not wish to go into detail on it. However, we feel that it is important to point out how the workers feel in this matter, and the effect it is having in our shops. Rightly or wrongly, the workers in our shops believe that they have been penalized for their patience and loyalty. Another crisis is rapidly approaching in the shops, and it is making itself evident in a variety of ways. During the past month, the workers in several of our shops have been demanding the most militant action on absolutely trivial issues, which in ordinary times might never have arisen. We have gone from one crisis to another on such questions as trivial changes in shift hours or arrangements for handing out pay, or canteen facilities, and we know that something new will crop up each week. We know our workers well enough to know that it is not really these issues that are agitating them, but this is their way of showing their dissatisfaction over the bonus question.

I would like to make the comment there that during this past month there were three sit-downs, very spontaneous and very temporary. We were able to get the men back on the job. These were all for trivial things. We have told the men they have no right to do it, and have ordered them back on the job, but there is a basic sentiment among these men. It is a big question that is bothering them, although it is expressed in little things.

Throughout this situation, as well as in many others that have arisen across Canada recently, we have felt that we could discern a definite pattern, reflecting a desire on the part of powerful interests to use these difficult situations as a basis for active provocation of labour. We believe the Board should be aware of this, and give it careful consideration. We have been very much concerned over this tendency, and have tried to make an analysis of it, which may be of interest to the Board.

Adjournment until 2.30 p.m.

The hearing was resumed at 2.30 p.m.

The CHAIRMAN: Will you proceed, Mr. Burman. You were at page 12 of your brief.

Mr. BURMAN: Yes, Mr. Chairman.

With the failure of the German armies to crack Soviet resistance, and since the successful opening of the North African campaign last fall, we have thought that we could discern a changed attitude on the part of many powerful interests in Canada. The belief seems to have developed in these quarters that the war is as good as won, and no further great effort is going to be needed on the Canadian industrial front. From here it is a simple step for these people to take the position that "now's the time to put labour in its place, in preparation for the post-war period," and the logical conclusion is to provoke large-scale strikes and disturbances as a time when the war situation and wartime controls will make it possible to sternly suppress these outbreaks and destroy the labour movement. All of this is admittedly speculative, but it ties in very closely with another aspect which is not speculative at all, but which we can see plainly before us every day.

There are definite signs that Canadian war industry is suffering as a result of the recuperation and growth of British and American industry, who are no longer so dependent on our output, and who perhaps do not wish to see our industry too highly developed competitively. There is some evidence of this in the wholesale dislocation of our war industries right across the country, due admittedly to the cancellation of British and American contracts, and in the large-scale lay-offs that are taking place everywhere.

In the Montreal area alone we have dozens of examples of large industries producing vital war goods, where mass lay-offs have taken place. I know the same thing is going on all across the country. These strikes of the workers are a bad thing.

It is easy to understand that those who reason that the war is already as good as won,—in Britain and the United States as well as in Canada,—should be jockeying for post-war economic advantages and positions.

We of the labour movement see no evidence that would indicate that of victory is assured without supreme and total effort on our part. On the contrary, we believe that the greatest and most decisive battles of the war still lie ahead, and that the war can yet be lost if we do not maintain the greatest unity between all classes in our own country and between all the Allied Nations. The recent speech of Prime Minister Churchill in Washington makes this abundantly clear. If there are certain elements in Canada who, because of their incorrect belief that "the war is in the bag," feel that they can ride roughshod over labour, we must say to them that in addition to the great battles that we must still face before victory is assured, the greatest and toughest battle of all still lies ahead,—that of reconstruction in the post-war world. And in this battle, labour expects to play a positive and constructive role.

In connection with the layoffs referred to above, we readily admit the possibility that much of this may be due to the need of readjustments in production plans, but we maintain that the failure of those in authority to properly advise and consult labour on this matter, because of lack of real labour representation on the production and man-power administrative machinery, has led to grave suspicions that something underhanded is going on, and that these contracts are being cancelled to prevent too much development of Canadian industry, as we indicated above.

We feel most emphatically that if Britain and America have too much of some of the materials which we are producing, there are others of the United Nations who would be very well able to use them. In this connection—and diverting from the main question for a moment—we welcome the evidence of activity on the part of our government to conclude independent trade arrangements with such countries as China and the Soviet Union for supplying increased quantities of war materials.

Even after making due allowance for the possible need for readjustment in plans, however, and taking into account the activities of our government in seeking to establish independent trade connections, we can still discern an attitude on the part of many of those in authority that indicated that they believe the war to be already won.

We are told that, while certain changes may be necessary in the production of certain weapons of war, planes and ships are still needed more than ever before. But even in these industries, we discern the same anti-labour attitude which appears to ignore production needs.

The recent Boeing lockout, and other cases, show that there are politicians in our country who are not above using this difficult and embarrassing situation to attack labour, instead of trying to enlist labour's co-operation in helping to maintain Canada's position as an independent industrial force.

A recent incident in Montreal, small in itself, serves to illustrate the trend which we speak of. Our shops in Montreal have always recognized May 24 as a holiday, and our agreements have always listed this date as a double-time day. The original purpose of this double-time provision was to ensure that the worker would actually receive the holiday, by penalizing the employer if he required the employee to work. In the war emergency, however, we have always urged our members to work on holidays when required to do so, and we have felt that they were entitled to the extra compensation for giving up the holiday. The attached information bulletin (Exhibit F), issued by our organization last week-end, shows how the Department of Munitions and Supply has tried to twist this situation into an attack on our organization, with callous disregard for the actual need for production.

In this particular case I would like to refer to Exhibit F. Some of our shops had decided to work Monday, May 24th, which was a holiday—

Mr. LALANDE: Although the order in council was not mandatory it did declare that May 24th should not be a holiday.

Mr. BURMAN: I am aware of that, but this was in the agreement. When we were negotiating the agreement we had enough difficulties and we were not looking for any others. That day was agreed to be one of the holidays for which if work was done we would get double time. After the company had decided to work, a notice was put up that the plant would be closed that day on the orders of the government, because overtime and double time would have to be paid. We wired the minister and stated our surprise. We know our people are being slandered because of absenteeism, and the claim is that the work is needed, yet with all that they shut down these shops in Montreal. I would like to call your attention to the telegrams which are in Exhibit F.

Mr. COHEN: What is the provision in your agreement with respect to May 24th?

Mr. BURMAN: We have eight recognized holidays.

Mr. COHEN: What is the provision?

Mr. BURMAN: It provides for the payment of double time for twenty-four hours from straight time.



Mr. COHEN: That does not stipulate it is a holiday. That stipulates a punitive rate for it, but a holiday is a day on which there shall be no work.

Mr. BURMAN: Our agreement does not stipulate a holiday, but it states that any work performed on that day shall be paid for at double time rates. These are just some of the things we run up against that we feel reflect not only on the question of May 24th but the whole attitude towards production needs and towards labour.

The approach to labour indicated in the above incident appears to us to be typical of the elements which we have referred to above. It is here made very clear that these people regard labour as an incorrigible, delinquent child, who must be sternly disciplined at every turn, and given no voice in the running of family affairs. Regardless of what labour legislation is proposed or adopted, it is evident that the persistence of this attitude towards labour must limit the effectiveness of such legislation, and give rise to constant strife. We must warn against these underhanded attempts to constantly undermine labour's position, and urge in the strongest terms that labour be given full representation and voice in the planning and execution of all phases of our war effort.

#### *Wage Increases and Inflation*

On every occasion where labour has asked for wage increases or other adjustments in earnings, during the past few years, we have been told that the granting of any increases at this time will of necessity bring about inflation. While we do not pretend to be expert economists, we find this argument to be manifestly absurd.

It is our belief that at this time, the starting point and the conclusion of any discussion on inflation must be the question of production. We have found that the existence of inequities in earnings, and the existence of substandard earnings, are factors which hinder production. When we appeared together with the managements before the Quebec Regional Board last September, to request an upward adjustment in earnings for our workers, this question of inflation was raised, and in addition, it was charged that the increases would have to come out of the taxpayers' pockets. The general manager of one of the companies,—a man who is regarded as one of the most capable in the industry,—stated without hesitation that in his opinion the granting of the increase at that time would so increase the productivity of his workers that he would be able to effectively reduce his cost of production, per plane. This manager spoke from experience. In the same plant, earlier in the year, a condition arose which called for him to double his production within a very short time. He called in the Union Shop Committee, asked for and obtained their co-operation, and within a few months, production had been doubled without any increase in floor space or equipment, and only a very small increase in personnel. Although a substantial part of this achievement can be attributed to the general campaign for higher production which our union was carrying on at the time, with its resultant better morale and increased enthusiasm, this was by no means the whole story. The fact is that our production committee in this shop was still not functioning very systematically, and only a comparatively small number of suggestions for improved technique and efficiency had been put into force. A key factor in the success of the drive was the fact that during this period the management made it a point to clear up all outstanding wage grievances, and put through without hesitation all merited increases and promotions. We believe that this, together with the general production propaganda of our union, is what made the real difference.

Those who use the "inflation" argument reason that if the workers receive more money—even when this can result in an increase in production—we will have inflation. We contend that all that is necessary to prevent the so-called pressure of excess purchasing power on consumer goods is to *ration the available supplies at fixed prices*, once all productive resources are being used to the full. When this is done, the "excess purchasing power" can only be put into some form of savings or loaned to the government. To date, there has been only a limited attempt to approach the question from this angle. We contend that if the Joint Production Committee movement, which we will discuss in greater detail later, and an enthusiastic Production Drive, were to be developed fully and spread through all Canadian industry, the supplies of consumer goods could be substantially increased in the first instance, and further, productivity in the war industries might be so increased that it would be possible to spare some of the resources now being used in war production for the increased production of consumer goods, without reducing the war supplies produced. If this development is combined with rationing wherever shortages exist, and rigid price control, we can see no danger of inflation attendant on wage increases. On the other hand, the rigid control of wages, without the rigid application of the essential factors listed above, cannot control inflation, in the sense of preventing the diversion of resources from war production to consumer goods production.

On the other side of the picture, however, the incentive of higher returns for increased productivity is well known. Our government has very clearly shown that it feels the need for maintaining profits as an incentive to the manufacturers to produce war materials, and has gone even further in providing many forms of subsidies, capital assistance, depreciation allowances and tax exemptions to these manufacturers. We contend that this incentive can be given to the workers, *without any attendant danger of inflation*, provided our other proposals relative to rationing, price control, and the utilization of all resources for increased production, are put into effect. We contend further that *the workers' savings which must accrue from such an "incentive wage increase" policy can develop into a powerful factor in the solution of the immediate post-war economic problems.*

There is another aspect of the "inflation" argument that is sometimes used, having reference to its effect on war production. It has been argued that where wage increases are granted, the tendency is to spend these extra earnings on non-essentials or "luxury" goods. The demand for these goods may attract some resources away from war production, because of the higher profits realizable. If this problem exists at all, its solution appears to be absurdly simple. The rationing and price control already discussed solve part of it. In addition, the government is now in a position to allocate all resources right at the manufacturing stage, and even to prohibit completely the manufacture of some non-essentials, where necessary.

Mr. COHEN: What non-essential is being produced to-day?

Mr. BURMAN: I have not attempted to analyse this. I say "where necessary" this could be done. I do not happen to have any in mind at the moment. The government is in a position to step in and prohibit any manufacturing if it is interfering with the war production.

We do not propose that it is necessary to permit unlimited wage increases. While we contend that many wage increases will not necessarily force an increase in prices, or even in the cost of production, it is

evident that a point can be reached where these factors do become operative. What we do propose is that the low bracket earnings be brought up to what we consider is a minimum decency level—50 cents per hour—and that the National Board be given powers to adjust all inequities, on a nation-wide basis, in other categories.

No realistic approach to the question of controlling inflation and stabilizing wages can overlook the problem of the anti-union activities of many employers. Under the necessary controls and restrictive measures which these considerations entail, there is a constant temptation for anti-union employers to use the existing restrictions as a weapon with which to attack and destroy the workers' organizations. We have cited several examples of this tendency already from our own experience, and we are aware that there are many other similar examples right across Canada. If any program of stabilization is to succeed, the workers must have definite and operative assurances that these abuses will not occur.

While we are on the subject of inflation, we would like to refer once again to the May 24 holiday incident cited above, and to the whole question of incentive pay for overtime and holiday work. There are those who claim—and we assume from his action that Mr. Howe is one of these—that such incentive pay unduly increases the cost of production, and once again, that it tends to cause inflation. We feel that the first consideration is worthy of a little study.

Profits and cost of production in modern industry are calculated by employers on the basis of a "normal work week", and on a certain average utilization of the plant and machinery available—taking into account the overhead costs when the plant normally lies idle, and the capital investment required to produce the desired output within this "normal work week".

When the plant is worked overtime, the employer is able to use the existing plant for extra production without any proportionate increase in overhead expenses, and without any increase in capital investment. This actually permits an increase in the rate of profit, or a reduction in the cost of production. We fail to see why at least a portion of this saving should not come to the workers in the form of incentive pay for overtime or holiday work.

#### *Cost-of-Living Bonus*

The anomalies in the system of determining the amount of cost-of-living bonus to be paid to workers in any given plant have been brought into sharp relief in the Montreal aircraft situation. The basis of these difficulties, starting with the fact that the bonus payment was not made mandatory under P.C. 7440, is no doubt well known to the Board. The only solution we can see to the problem is to make the universal payment of the full bonus mandatory, while at the same time attempting to stabilize the wage structure by the means already suggested. In addition, there are several other aspects of the cost-of-living bonus question which we would like to draw to the attention of the Board. Most workers in Canada have been convinced for a long time that the cost of living index does not truly reflect the increased cost of living for the average worker. While we are in no position to argue on this point, due to lack of concrete data, we would recommend a thorough and impartial investigation into this matter. We would recommend also the use of a regional cost of living index so that where the index in any area is higher than the Dominion average, a compensatory increased bonus should be paid.



Just in that connection, it might be said it would also be logical to pay a decreased bonus where the cost of living might be lower. The fact is that taking the history of the whole cost-of-living bonus question, and the manner in which it has developed into one of the most fruitful causes of trouble, I feel that that would not be possible. Nevertheless in other areas in which the cost of living is higher, a compensatory cost-of-living bonus should be paid.

### *Joint Production Committees*

The establishment of the movement to form Joint Labour-Management Production Councils, and the growing interest which labour has taken in the problems of production, are outstanding developments in the field of labour relations during this war. While it is true that a few isolated instances of "co-operative committees" existed before the war, these were quite different in character from the committees presently referred to, which have as their whole basis the desire of labour to play its greatest role in assuring victory in the war.

We are very proud of the fact that it was our Lodge that pioneered the way for the establishment of this movement in North America, immediately following the development of the idea in Great Britain. At the time, it was considered to be a revolutionary development for a Trade Union, that was fighting militantly to improve the working and living conditions of its members, to show itself anxious to assist in stepping up the production in our plants. We must say that the idea was received not without considerable suspicion and even open hostility from some employers and others.

After months of discussion within our organization, our proposals were first put to the managements and before the public in October, 1941. We felt that it was most important that the scheme should receive nationwide publicity, because to achieve maximum results, it would have to be applied in all Canadian war industry. In brief, here was the basis of our proposals;

Labour has a definite stake in winning this war—perhaps greater than any other section of our society; the war is one of production—and the volume and quality of war production will be the decisive factor in determining who will win the war, and how long it will take; Labour plays a key role in the production of war materials, and its full co-operation must be enlisted to help government and management in their tasks; Labour—the worker at the bench or machine—is resourceful, full of ideas, and capable of tremendous effort once its full enthusiasm is aroused; Labour, because of past experience, tends to mistrust any action of the employer, and its full co-operation can only be enlisted through its chosen representatives, in whom it has confidence and trust.

Contrary to what might have been expected, our proposals were not received by the employers with any great enthusiasm at the outset. In a statement released to the press on October 23, the managements sharply questioned our motives in making such a proposal, and indicated that production already was as high as could be expected, while we were charged with "casting an unfortunate reflection on the loyalty and war effort of the workers in our plants". We carefully abstained from any controversy on this question, as it was co-operation we were after—not a fight. It is only fair to say, at the same time, that not all the opposition came from the managements. Many of our members were deeply suspicious of the plan, especially when a series of layoffs occurred just about that time. Coming so soon after the terrible depression period, when bitter experience forced the workers into a philosophy of trying to prevent

the speeding-up of production by every possible means, this reaction was inevitable. What was required was a campaign of publicity and education, coupled with concrete assurance that the workers would not be victimized because of any improvement in efficiency or increase in tempo. This is the job that our union tackled at that time.

At our request, Mr. Ralph Bell, Director-General of Aircraft Production, called a meeting in January 1942, to discuss the whole question with ourselves and the managements. Out of this meeting the proposition was adopted that joint production committees be established in our shops. The subsequent story of the development of these committees is quite well outlined in the attached newspaper article which appeared last July (Exhibit G), and in other articles which appeared throughout Canada.

We have naturally been very disappointed in that this movement has not developed into the universal, popular drive that we had hoped for. Out of the estimated several hundreds of these committees that have been established, there is only a handful that are really functioning in the sense of helping to arouse real enthusiasm for the war effort. We were gratified at the amount of publicity given to our efforts in the press, not because of the prestige which it gave our organization, but because of the extent to which it might help to popularize the production drive. Little or nothing was done by the government to utilize this movement in a realistic way, and the old suspicions and hostility persisted.

When the government announced recently the appointment of an Interdepartmental Committee, under the chairmanship of Mr. Goldenberg, to aid in the formation of these committees, we greeted this action as a step forward. However, we could not fail to note the continued failure to place this job in the hands of the only kind of people who can make it succeed—representatives of labour who are familiar with, and in constant touch with, the basic reactions of the workers, and in whom the workers have real confidence. The present committee can at best only take an abstract approach to the whole question. The old attitude of "talking down" to labour still persists. It is significant that since the appointment of the committee, there has been no real production drive launched that would arouse real mass interest and enthusiasm. There has been a lot of paper work done, but that seems to be as far as the committee has gone.

We believe that this condition has the same root as the crisis in labour relations, generally, which we spoke of already. It is significant that at our recent National Aircraft Conference, the question of the Joint Production Committees was the subject of the longest discussion, and the most heated debate. They have become a real issue in the industry. Formerly, the subject had come up in the form of formal resolutions, which had been duly passed, and the whole question brushed aside without concrete discussion. On this occasion, however, the delegates showed real concern over the fact that these committees have not yet been able to get down to a really sound functioning basis. Complaints were brought forward from every section of the country. Some delegates complained of outright opposition, and a blank refusal from their managements to have anything to do with the scheme. Others spoke of neglect, indifference and a failure to supply the committees with needed information and co-operation. Others again spoke of attempts by the managements to reduce the whole scheme to a mechanical "efficiency" plan, with the committee functioning as nothing more than a group of walking suggestion boxes, while still others spoke of attempts by the

managements to make an issue over the role of the union in the scheme, maintaining that the union has no place in the functioning of the committees, and that the employee representatives must be selected in a manner apart from any union regulations.

This failure to see in these committees a powerful, indispensable force making for increased production in industry, is another indication of the short-sighted attitude which has been taken toward all war problems by some sections of industry and government. The way to overcome this is only through a four-square recognition of labour's role as an equal partner in our war effort. Labour's sincere offer of willing co-operation must be welcomed wholeheartedly, and not rejected at every turn. Concretely in the aircraft industry, this must take the initial form of giving representation to our union in the Aircraft Production Branch of the Department of Munitions and Supply, and on the Aircraft Industry Relations Committee, which was set up under government order in council without any labour representation whatever.

Incidentally this committee was set up to do the very job our union set out to do a year ago.

The active participation of the union in the work of the Joint Production Committee must be encouraged in every way, for experience has shown that this is the only way that the committee will get things done. Finally, the committees must be permitted and encouraged to conduct activities along the broadest possible lines, designed to arouse the workers to a sense of personal participation in every phase of the war effort.

In concluding this memorandum, we want to reaffirm our conviction that the war is rapidly approaching its most critical stage, when every plane, gun, ship, tank or other war material produced now will save countless lives—the lives of our own people. Nothing short of total effort is good enough now. We cannot afford now to take time out to settle old scores, or jockey for post-war advantage. We must have complete co-operation between all sections and classes in our country. We have to recognize that we have been paying dearly for our failure to solve—in the pre-war period—some of the basic social problems in Canada, and we fervently hope that this Board, through its recommendations, will attempt to clear away the obstacles that stand in the way of an all-out effort to back the attack against Nazi Germany and the entire Fascist axis.

Thank you very much, Mr. Chairman.

The CHAIRMAN: Thank you, Mr. Burman.

Mr. COHEN: I take it you want the appendices to your brief included in the record?

Mr. BURMAN: I certainly do.

#### EXHIBIT A

Brief submitted by Lodge 712, International Association of Machinists, on behalf of the employees of the Canadian Car and Foundry, Turcot Works (Anson Wings Department) setting forth the main points of their disagreement with the majority report of the Board of Conciliation in their application of the Minister of Labour for the reconvening of the said Board.

The main points contained in the Majority Report of the Board finding for the Company may be summarized as follows:—

1. That a collective labour agreement sanctioned by the government of the Province of Quebec presently governs all employees concerned.



2. That the employees are already adequately represented by an organization known as the "Canadian Car & Foundry Company Limited Employees Association" and the employees presently have no grievances.

3. That if the Company were to enter into a contract with Lodge 712, it would constitute dual control over the employees.

4. That the operations carried on by the Company do not constitute an aircraft industry.

The employees take exception to the above findings of the Majority Report for the following reasons, dealt with as numbered above:—

1. The existence of a collective Labour agreement has no bearing upon the matter of dispute, i.e., the question of union recognition, for the following reasons, namely:—

(a) Legislation under Collective Labour Agreements Act is essentially minimum wage legislation and is in no sense a labour contract such as is now being sought by the employees.

(b) In further affirmation of the above remark we may quote the letter of Mr. G. Tremblay, Vice-President of the Regional Board for the Province of Quebec, dated February 19, 1942, addressed to Lodge 712, which letter states in part as follows:—

"As you know a decree was put into force two years ago and if the Aircraft Division 712 thinks that the conditions of the Provincial decree are not satisfactory, there is nothing to stop it to try and negotiate a particular agreement with the Canadian Car and Foundry. The wages established by the Provincial Decree are essentially minimum wages."

(c) Moreover the Provincial Decree does not in any of its terms deal with the operations involved in the work of the employees and as a consequence the employees are without a definite and enforceable contract regulating their wages, hours of work, classification, et cetera.

(2) The employees contend that ample proof was made before the Board that the Employees Association does not, and never did, have the confidence of the employees and cannot constitute their bargaining agency. From the admissions made before the Board by the representatives of the said Association and the representatives of the Company itself, there is no doubt that the Employees Association does not constitute a labour body as defined by section 7 of P.C. 2685, inasmuch as it was freely admitted before the Board that the expenses of the Employees Association were borne by the Company. It was developed before the Board that many employees had never even heard of the Employees Association before the current dispute arose. On the other hand it was shown before the Board that Lodge 712 of the International Association of Machinists always enjoyed the mandate of the great majority of the employees. If the majority of the Board had the slightest doubt on this contention, it is respectfully submitted that the Board should have arranged for a secret ballot to be taken amongst the employees to determine this question.

In a strike ballot taken amongst the employees subsequent to the hearing, namely on July 23, 1942, the following question was asked of the employees:—

"Do you intend to go on strike unless your employer, the Canadian Car & Foundry Company, Limited, recognizes Lodge 712, International Association of Machinists, as your bargaining agency for the purpose of executing a collective agreement?"

In reply to this question 456 employees voted "Yes", that is, in favour of Lodge 712 with only 101 voting "No". This established beyond all question that Lodge 712 alone is entitled to be recognized as the bargaining agency for the employees.

3. The Company declared that if it were to enter into a contract with Lodge 712 this would constitute dual control over the employees in view of their alleged commitments to the Employees Association and further declared that this would result in an impossible situation. The Majority Report in our opinion erred in giving any weight to this argument.

The same Company is presently engaged in another dispute with their employees of its Longue Pointe Plant. The situation in this latter dispute is very similar to the one being dealt with here, where in answer to the request of the Steel Workers Union for recognition, the Company counters with an Employees Association. Just as in this present case a strike vote found the majority of workers in favour of a Steel Workers Union. In answer to this development Mr. George Walsh who was one of the representatives of the Company in this present dispute is reported by the *Montreal Herald*, dated August 11, 1942, as follows:—

"A possible solution, he indicated, was the signing of a joint agreement with both workers' organizations . . .

This we believe is the best answer to the Company's argument of the "impossibility of a dual control".

4. Exception is taken to the 4th main finding of the Majority Report and it is contended that the operation of the employees affected do constitute an aircraft industry. The Company itself recognizes this fact most eloquently by paying wages current in the general aircraft industry and by classifying the nature of their work according to standards prevalent in the general aircraft industry.

Further to the above argument it is contended that once it is established that the majority of the employees desire Lodge 712 as their bargaining agencies, it is, according to the principles of P.C. 2685 irrelevant whether the operations concerned are aircraft industry or not.

The main exception which is taken to the entire Majority Report is that it does not seem that the said report was founded on the principles of P.C. 2685 as it should have been. As stated above events subsequent to the hearing have proven beyond a shadow of a doubt that Lodge 712 is desired by the vast majority of employees as their bargaining agency. The employees concerned are well aware of the principles enunciated in P.C. 2685 and are reasonable in their expectations that the principles therein will be met with. It will not be amiss to quote from the minority report of Mr. James Somerville which states:—

"All-out War calls for more than platitudes. Mr. Minister, and I respectfully suggest something further be done by your government to dispel an ever-growing feeling of frustration in the minds of responsible leaders in the labour movement of Canada".

In view of the developments which have taken place since the rendering of the report we feel confident that a reconvening of the Board would prove most useful in adjusting a situation which, once out of hand, would produce results desired by no one.

Respectfully submitted.

Montreal, August 11, 1942.

U. Roussin, Business Agent, Lodge 712, International Association of Machinists.

## EXHIBIT B

November 5, 1942.

Mr. M. M. MACLEAN,  
Director of Industrial Relations,  
Department of Labour,  
Ottawa, Ont.

DEAR SIR:—

As you may already be aware, our Lodge signed an agreement with the Canadian Car & Foundry Company, covering their Pointe St. Charles Plant, on August 20, 1942. This agreement was a revision of an earlier agreement signed in 1940, and was in process of negotiation since June 1941. You may also be aware of some of the company's actions which were responsible for the long delay in signing this agreement.

After signing the agreement, the management of this plant for a long time refused to meet our Grievance Committee and in fact, the first regular meeting of this committee with the management was held only this week.

A number of grievances and complaints have existed in this plant, particularly with regard to the adjustments in rates which were made as result of the coming into force of the agreement. These adjustments were made by the company and the grievance committee had no opportunity of consulting the management about the matter whatever. On the day that these adjustments were made, the General Foreman, Mr. King, made it a point to go about the shop, advising those who showed dissatisfaction that "It's the union that classified you. Blame the whole thing on the union." On the same day, an organization known as the "Association of Employees" made its appearance in the plant.

This Association is obviously company-inspired, and has received the active support of the foremen in the shop. The canvassing for "membership", much of which was done on false pretences designed to lead the workers into believing that they were supporting their union grievance committee, was done on company time, with the evident approval of the foremen and the management. The union delegates, on the other hand, had been very rigidly held to our agreement that no union activities shall be carried on during working hours, and in fact, have not been permitted to leave their benches. Contrary to the intent of our agreement, the union has not been permitted the use of a notice board in the plant, and every facility has been denied to our committee that would enable them to convey the facts of the situation to the workers.

To further confuse the situation, the company then put up a notice on their boards signed by Mr. Jude, the Works Manager. A copy of this notice is attached, and its purpose is very evident. Immediately following the posting of this notice, trouble developed in the shop, and several temporary stoppages took place. We approached the company the following day, and asked that they approach the Regional Board together with us, to request that the agreement be approved as it stands. Our grounds in making this request were that the Board had approved an agreement similar to ours in one of the company's other aircraft plants, where an "Association of Employees" exists, and where no *bona fide* union is organized. The company refused to co-operate with the union in this request.

Mr. M. M. Maclean (2)

November 5, 1942.

Now, while the confusion regarding the bonus issue created by the Regional Board's action, and by the company's deliberate use of this action to stir up trouble is at its height, the company glibly informs our committee that the company union has "challenged" our majority in the shop, and is claiming the



right to represent the employees. We understand that the company has applied to you to supervise a vote in the shop to determine which group shall represent the employees.

We wish to point out that, following the statements contained in the attached notice, and the impression which has been deliberately circulated in the shop to the effect that all those who are in the union will lose the bonus, any vote taken at this moment will not be a true indication of what organization the employees want to represent them. We believe that for your department to conduct a vote between our union and the so-called "Association of Employees" would be to recognize the validity of an organization that has been established in contravention of the principles established in P.C. 2685. We are convinced that when the bonus question is settled, the entire issue will have disappeared.

Our agreement with the company was signed only two months ago in good faith. The actions which the company has taken since that time have been in direct violation of the letter and the spirit of P.C. 2685. We cannot believe that your department will agree to allow an organization so obviously under the domination of the company as the "Association of Employees" to be represented on any ballot. This manoeuvre is evidently an attempt to replace genuine collective bargaining with an empty fraud. In their efforts to do this, we are convinced the company has been deliberately trying to make use of the Regional Board as a means of furthering their plans. The actions of the Board have certainly helped the company to a remarkable degree.

We are convinced that this action is part of a general movement on the part of this company to destroy trade unionism everywhere, and can only result in weakening the war effort. Behind every move that has been made stands Mr. George Walsh, the company's Director of Personnel. After the bitterness and confusion which were created by his actions in Longue Pointe and in Turcot, he is now trying to step in and create a battle in Point St. Charles. The work of this one man has done sufficient damage to the morale and the productive efforts of the workers in these vital war plants. We feel that the Department of Labour must carefully investigate the activities of Mr. Walsh, and some attempt must be made to stop his continued flaunting of the laws and policies of our government.

Sincerely yours,

JEAN PARE,  
*Business Agent.*

CANADIAN CAR & FOUNDRY COMPANY, LIMITED

POINT ST. CHARLES WORKS,

MONTREAL, Oct. 26, 1942.

### *Notice to Employees*

After fighting your case for you with the Regional War Labour Board and with the National War Labour Board, over a period of more than three months, we have finally received a last warning from the Regional War Labour Board that the cost-of-living bonus now being paid in this plant, at the rate of \$4.25 weekly, must be reduced immediately to \$1.50 weekly, which is the amount paid by "Vickers", "Fairchild" and "Noorduyn", under their agreement with Aircraft Lodge No. 712.

We have no course open but to obey the government in this case, and we attach herewith, copy of the official letter from the Regional War Labour Board, together with the Company's answer, acknowledging the ruling.

*We wish to point out that all employees not covered under our agreement with Aircraft Lodge No. 712, are exempt from this order, and will retain the full*

*cost-of-living bonus of \$4.25 weekly.* These employees include Foremen, Assistant Foremen, Draughtsmen, Clerical employees in the shops and offices, Stationary Engineers, Firemen, Guards and Watchmen.

Please accept my sincere regrets that this action is forced upon the Company. I personally have fought every step of the way against this ruling, and I know that Mr. George Walsh, Director of Personnel, has devoted most of his time, and has done a lot of travelling to Quebec City and Ottawa, on this matter, seeking for a loophole which would allow us to maintain the cost-of-living bonus at \$4.25.

The government, however, refuse to move from their decision that we must fall in line with the other three Companies—"Vickers", "Fairchild" and "Noorduyn", who are covered by an agreement with Aircraft Lodge No. 712.

(signed) ALBERT JUDE,  
*Works Manager, Aeronautical Division.*

AJ:B M

Encl.

NOTE:—No underlining on original.

### EXHIBIT C

November 12, 1942.

Right Hon. W. L. MACKENZIE KING, P.C.,  
Prime Minister of the Dominion of Canada,  
Ottawa, Ontario.

Sir:—

The undersigned, on behalf of the Executive Committee and the members of Aircraft Lodge 712, International Association of Machinists, bring to your attention, as leader of our country's government and Director-in-Chief of Canada's war effort, the crisis which exists in the aircraft plants of Montreal as a result of your Quebec Regional War Labour Board's anti-labour policy.

To be specific in our own case, we charge the Regional Board with having delayed for five months the conclusion of Union agreements which, if adjudicated upon by men of action and fair mind, could have been signed and approved in a matter of days.

We charge the Regional Board with playing the game of those who seek to destroy honest Trade Unionism, by permitting itself to be used as a tool to introduce Nazi-like control over the worker through the medium of company "unions".

As our Nation moves on to the offensive, and the weapons of war will be needed in greater quantity than ever before, are our government bodies to be used for the purposes of either destroying the victory spirit of the workers, or, worse, for the purpose of selling the worker back into bondage from which only Trade Unionism enabled him to escape?

Lodge 712 has always stood four-square for Total War. Total War for employer and employee—for every citizen. Largely through our efforts, the first steps were taken in Canada towards Government-Labour-Management co-operation for all-out production through the medium of Joint Production Committees. Under this impetus production has consistently been increased in the great aircraft plants of Montreal. In two of these, production has been doubled, almost entirely as a result of the spirit shown by the workers, led by their union. Our members, by the score, have come forward with suggestions for increasing production efficiency on their own jobs and a great number of their proposals have been officially recognized and put to excellent use. The Union itself has worked day in and day out to bring home to its members the real issues

of the war. Our members have shown their awareness by their response to every call, from Victory Loan to Blood Donation. Lodge 712, in short, has carried on an all-out effort and puts no limits on that effort until victory is ours.

To-day this great victory movement is threatened, however, and the spear-head of the threat to Lodge 712—as to all organized war workers—is the Regional Labour Board, acting as the instrument of Government labour policy.

In June, 1942, negotiations were opened with Fairchild, Noorduyn and Vickers for revision of the agreement which expired on June 30. We made it clear that we were anxious to conclude discussions quickly and get the new agreement out of the way, in order to devote all our energies to increasing production. All concerned had ample evidence of the havoc wrought on morale in the long-drawn agreement battle of 1941. We set two weeks as the goal. That was five months ago. The agreement is not signed yet.

Lodge 712 asked only for a common-sense levelling up of rates within the aircraft industry, to make nation-wide stabilization possible. Think what this means, sir, in the field of National Unity! How much longer are the workers of Quebec to remain economically inferior to those of the sister provinces? The case we laid before the Regional Board has never been answered. It has only been thrown out, after interminable delays, without comment.

At first we approached the Board alone, because Management felt it could not go with us "against its customer", the Government. When first we were turned down, tempers flared in the shops. Hothead elements immediately began to call for a strike (we suspect some people in high places might have been glad of an opportunity to smash a strike!) But our leaders, our Shop Committeemen and the great majority of our members kept their heads. The Union took the stand that there must be no strike in aircraft. This does not mean, however, that we will not fight to the finish for our just demands.

At this juncture the companies themselves decided to support the union in at least a part of our demands—the payment of the full cost-of-living bonus, primarily because the Canadian Car and Foundry Company, for its Point St. Charles plant, has just signed an agreement with us which carried the full bonus of \$4.25 weekly, as against \$1.50 paid by the Big Three, Fairchild, Noorduyn and Vickers. When Companies and Union appeared together before the Regional Board, however, the Board declared the Canadian Car contract unacceptable. Yet only a few weeks before, the Board had approved a contract between the same company and its employees in the one major aircraft plant in this district where the workers have been forced into a company "union" and are not members of Lodge 712—granting equal wages with the organized Big Three plants, *plus the full bonus!* Is your Board, then, sir, to be adjudged as pro-company "union" and against Trade Unionism? It would seem so, and that is the interpretation placed upon the ruling by Mr. George Walsh, Personnel Manager of Canadian Car, and other officials of that Company who, at this time, are conducting a campaign designed to break Lodge 712 in their shops by urging their workers to form company "unions" and share in the blessings bestowed by your Board! Here, for example, is a quotation from a notice recently appearing in the Point St. Charles plant, signed by the Works Manager:—

"All employees not covered by our agreement with Aircraft Lodge 712 . . . . . will retain the full Cost-of-living Bonus of \$4.25 weekly."

Do you wonder that we are primed for a fight, Mr. Prime Minister? Do you wonder that our people are smarting under a sense of grievous injustice?

The Union viewpoint, as regards Fairchild, Noorduyn and Vickers, has now been turned down twice by the Regional Board, each time without explanation or reason. For a third time it has gone back to them and currently has been forwarded to the National Board for a directive. Apparently its members are



still not prepared to give a legitimate Trade Union organization what they give without question to company "unions".

We believe that the policy of delay is maliciously designed to destroy our Union. It cannot do so. Lodge 712 is here to stay. That the policy is at the same time destroying morale and production is obviously neither here nor there to those who would rather defeat Labour than lick Hitler. Such people have regarded our restraint as a sign of weakness, not, as it has been, of loyalty, arising from the determination to do our job as part of Canada's great production army. They had better disillusion themselves. Montreal's Aircraft Workers are going to remain Trade Unionists and will resist to the last ditch any attempt to introduce company "unionism" into the shops. We shall not seek a show-down unless anti-labour elements force it upon us. But we cannot be goaded further and we will not relinquish our rights.

In all this, sir, your Regional Board has played the game of the enemies of organized labour, as other government boards have played it elsewhere. In what is said here we have dealt solely with the Board with which we are forced to deal in our province. Beyond this, however, the need exists for a complete overhauling of the machinery of labour mediation throughout the country. The policy under which Boards of Conciliation are established is supine and dilatory. Often, like your Regional Board in Quebec, they work on the thesis that if a problem can be dragged out for a sufficient length of time it will die of lethargy. At Canadian Car's Turcot works, for example, our Union applied for a Conciliation Board in September 1941. It was not even named until May, 1942. Not to this day has the Department of Labour given a clear decision on this case, involving recognition of Lodge 712 as representative of the employees, despite a vote of 456 to 101 by the employees in our behalf; The current Labour mediation structure, Mr. Prime Minister, is antiquated, rusty and supine. It needs not only a change of men on your boards, but a change of policy—a complete change of outlook towards the worker.

We call on you, therefore, as our leader, to recognize the urgency of plain, square dealing with the Canadian worker. Lodge 712 pledges itself anew to a full-out effort until Victory is won. We ask you, as our National leader, to give us the chance to make that effort! We rest our case before you in an hour when, more than ever before, the over-the-top effort of the Canadian people is needed for total victory!

Respectfully yours,

Aircraft Lodge 712,

International Association of Machinists..

(signed)

F. A. Jacobsen,  
President.

Lionel Valois,  
Recording Secretary.

W. V. McNally,  
Treasurer.

Irving Burman,  
Financial Secretary.

Jean Pare,  
Business Agent.

Robert Haddow,  
Grand Lodge Representative, I.A. of M.

Adrien Villeneuve,  
Grand Lodge Representative, I.A. of M.

## EXHIBIT D

MINISTER OF LABOUR, CANADA

OTTAWA, January 4, 1942.

Mr. D. S. LYONS,  
General Vice-President,  
International Association of Machinists,  
806 Keefer Building,  
Montreal, Quebec.

DEAR SIR:

Certain allegations not based on the facts were made by representatives of Lodge 712 in the court of my recent interview with your delegation as well as in your Memorandum dated December 23, and in the open letter addressed by Lodge 712 to the Right Honourable the Prime Minister.

The allegations I refer to may be briefly summarized as follows:—

"1. That the Regional War Labour Board for "Quebec has delayed for five months the conclusion of Union agreements . . ."

2. That, while refusing to approve wage increases and an increase in the amount of cost of living bonus being paid by Canadian Vickers Limited (Aircraft Division), Noorduyn Aviation Company and Fairchild Aviation Company, on the application of Lodge 712, and while refusing to approve an agreement entered into by your Lodge and the Canadian Car and Foundry Company Limited at its Pointe St. Charles Plant, which called for payment of a cost of living bonus of \$4.25 per week and wage rates equivalent to those paid by the other Companies mentioned, the Regional Board for Quebec nevertheless had "knowledge" that the Canadian Car and Foundry Company, at another of its plants had entered into an agreement with its employees providing for the same basic wage rates as were paid by the other three Companies and at its own Pointe St. Charles Plant, plus the full cost of living bonus which had been denied other aircraft workers represented by your Lodge, and that therefore the Regional Board was "pro-company 'union' and against Trade Unionism";

3. That policy in regard to Boards of Conciliation and Investigation is 'supine and dilatory'."

I will comment upon these contentions in the same order as I have listed them.

I can find no warrant for the statement that the Regional War Labour Board for Quebec had "delayed for five months the conclusion of Union agreements". Presumably your reference is to an application made by your Organization to the Regional Board requesting increases in basic wage rates, and for payment of a full cost of living bonus, this latter request being concurred in by the employers concerned, Noorduyn Aviation Company, Canadian Vickers Company (Aircraft Division) and Fairchild Aircraft Company. My information is that the Regional War Labour Board did issue its Finding and Direction on this application on or about August 25, 1942. Therefore, it is difficult to see upon what grounds that Board can be charged with any delay which may have occurred since that time in concluding an agreement between the parties. Rather it would seem that such delay is entirely attributable to the fact that you have objected to the Regional Board's decision denying your request. On this point I think it well to emphasize that no War Labour Board could have arrived at any other decision on the question of cost of living bonus.

on the facts submitted to it. Section 34 (3) of the Wartime Wages Control Order, P.C. 5963, by its provisions only empowers a War Labour Board to approve cost of living bonuses calculated from the adjusted cost of living index number of the month in which the last general wage increase was granted by the employing Company. In this particular case, the provision mentioned definitely fixes the index number beyond which the calculation cannot be made as being the index for July, 1941. Your own contract with the three employing Companies and which was signed November 19, 1941, effective until June 30, 1942 (and which gave effect to conditions including a general wage increase negotiated following report of a Board of Conciliation) recognizes that the Index number for July, 1941, is the proper base in Clause VI (a) which states,

"All adjustments in wages during the life of this Agreement shall be made by means of a cost of living bonus, established in accordance with Order in Council P.C. 8253, July 1st, 1941, to be the date from which the cost of living bonus is calculated."

In the face of the provisions of P.C. 5963, and of your own signed agreement as quoted, and of the undisputed fact that a general wage increase was made effective by the Companies mentioned as from July 1, 1941, the Regional War Labour Board for Quebec could have arrived at no other decision, and any responsibility for subsequent delay which has occurred in the renewal of your agreement cannot in fact or in fairness be charged to that Board.

The second allegation as summarized charges that the Regional War Labour Board for Quebec, though denying your application to pay full cost of living bonus at the Noorduyn, Fairchild and Vickers plants, had knowledge of, and presumably permitted conclusion of an agreement between the Canadian Car and Foundry Limited, and its employees at another of its plants in Montreal, which agreement provided for the payment of a cost of living bonus in the full amount of \$4.25 per week and at the same time provided a wage rate schedule conforming to the wage scales paid by the other three Companies, thus giving the employees at the other plant a total remuneration in excess of that Noorduyn, Fairchild and Vickers and the Canadian Car and Foundry Company Limited, at its own Pointe St. Charles Plant were permitted to pay. If the facts were as stated in the submission of Lodge 712 it might appear that the Regional Board had been inconsistent in construing the provisions of the Order.

However, the actual facts are otherwise. I have already outlined them as they affected the decision of the Regional Board on the application in regard to increased cost of living bonus requested for the employees of the Noorduyn, Fairchild and Vickers Companies. I now turn to the circumstances affecting the agreement between Canadian Car and Foundry Company Limited, Pointe St. Charles, and Lodge 712 which, as finally drawn, was not approved by the National War Labour Board of Quebec for the reason that in certain of its terms regarding cost of living bonus it is in contravention of the provisions of P.C. 5963, and in violation of the Regional Board's authority communicated to the Company and Lodge 712 to the effect that basic wage rates and cost of living bonuses were to be adjusted on such basis that total compensation for each occupational classification would be the same as that paid by the three large aircraft Companies to which you refer.

Inasmuch as the Canadian Car and Foundry Company Limited, Pointe St. Charles plant, had previously been paying cost of living bonus based on the rise in the adjusted cost of living index number from August, 1939, the arrangement outlined required mutual consent of the parties, and the Regional War Labour Board very properly considered that such consent had been arrived at for the reason that the Company and Lodge 712 proceeded to implement the conditional arrangements mentioned by making to the employees concerned a cash adjustment retroactive to July 1, 1941. This adjustment was computed on the basis



contemplated by the approval given by the Regional Board and brought into force for the employees of Canadian Car and Foundry Company Limited, Pointe St. Charles, covered by the application, with effect retroactive to July 1, 1941, the same wage rates for the occupational classifications concerned as those paid by Noorduyn, Fairchild and Vickers, and established for such employees of Canadian Car and Foundry Company Limited, Pointe St. Charles, the same cost of living bonus of 90 cents per week as was then paid by the other three Companies. I do not know what consummation of this transaction could be called if it was not mutual consent, and the Regional Board certainly intended that the parity thus established between Canadian Car and Foundry Company, Pointe St. Charles, and the Noorduyn, Fairchild and Vickers plants should be maintained and continued.

In your letter to the Prime Minister you impugn the good faith of the Regional War Labour Board of Quebec. Having in mind the conditional nature of the Regional Board's approval, which called for a bona fide reduction of agreement in the continuing amount of cost of living bonus, I would say that if there is any question of lack of good faith on the part of any one it is to be found in the following extract from the agreement entered into between Canadian Car and Foundry Limited and Lodge 712 under date of August 20, 1942, which reads as follows:

*"Wage Adjustments:*

- (a) The difference between the cost of living bonus paid by the Company since July 1, 1941, and the cost of living bonus paid by the Aircraft Companies--Noorduyn, Fairchild and Canadian Vickers, counting from the 1st July, 1941, will be deducted from the back pay accruing under article 13.
- (b) The cost of living bonus now being paid will remain in effect as from July 1, 1942, and shall be readjusted subsequently thereafter as provided in Order in Council P.C. 5963.
- (c) Any increase in individual wage rates granted between July, 1941, and the date of execution of this Agreement shall be absorbed in or shall absorb the increase resulting from this agreement, and payments made on account of such increase shall be deducted from back pay accruing under Article 13, in each case."

Furthermore, my understanding is that as soon as the Regional Board became aware that Canadian Car and Foundry Company Limited and your Lodge had acted in a manner contrary to the provisions of the Order and of the Board's authorization, it directed the Company to reduce the cost of living bonus to that authorized by the Board and which is now the only legal bonus payment which the Company may make to the employees concerned, it also having given effect to a general wage increase for them retroactive to July 1, 1941.

I now turn to the conditions under which Canadian Car and Foundry Company (Aircraft Division) pay full cost of living bonus to its employees at that plant and which circumstances appears to form the basis for your statement that the Regional Board was "pro-company 'union' and against trade unionism". You allege that, though declaring the cost of living bonus provisions of your contract with Canadian Car and Foundry Company Limited, Pointe St. Charles, to be in violation of P.C. 5963, the Regional Board had nevertheless a few weeks previously approved for the same Company at its Aircraft Division plant a scale of wage rates comparable to those being paid by Noorduyn Aviation Company, Canadian Vickers Limited (Aircraft Division) and Fairchild Aircraft Company, while at the same time permitting continuance of payment of cost of living bonus of \$4.25 per week. Your allegation does not accord with the facts. My information is that what actually happened is that

the question of an agreement between the Company and employees of its Aircraft Division having arisen, the contract was submitted to the Regional Board, but that Board having been informed that the scale of wage rates and cost of living bonus based on the cost of living index for August, 1939, had been established prior to November 15, 1941, merely advised the parties that, these conditions having been so established prior to the effective date of the Wartime Wages Control Order, neither the Board's approval nor disapproval was required, and accordingly no action was taken nor was any required to be taken by the Board in the matter. This by reason of the fact that under section 16 of the Order such wage scale and cost of living bonus conditions were established prior to the date the wage control policy became operative whereas in the other cases referred to the changes were requested to be made effective after such date.

You also suggest that the posting of a notice in its Pointe St. Charles plant by Canadian Car and Foundry Company Limited showed discrimination, but you will, I think, in fairness agree that the Regional War Labour Board had nothing whatsoever to do with the matter. It would appear from an unprejudiced examination of the facts that this notice was merely the Company's method of pointing out that employees on its clerical, supervisory and maintenance staffs who had not received the benefit of wage increases would still be entitled to payment of cost of living bonus at the rate of \$4.25 per week. The Regional Board did not even know until afterwards that such notice had been posted.

I now turn to your criticism that the Department has been dilatory in establishing Boards of Conciliation and Investigation, with particular reference to the Board which was appointed to deal with the dispute between the Canadian Car and Foundry Company Limited, (Turecot) and its employees, members of your Union, it must be pointed out that the delay in establishing this Board was due to the efforts of the Department of Labour in attempting to conciliate the dispute. Their conciliatory efforts were undertaken with the concurrence of your Union and were participated in by your officers. However, these conciliation efforts failed and a Board was appointed. The recommendations of the Board were unacceptable to your Union, which then exercised its right to request the Minister of Labour to conduct a strike vote. This vote was taken and resulted in favour of a strike.

Subsequently the Union requested the Department to reconvene the Board and put forward reasons which the Minister thought justified such action. The Board was therefore reconvened but a majority of its members endorsed their former recommendations. As you are aware, the recommendations of Boards of Conciliation and Investigation are not mandatory and, so far as I am aware, the trade unions generally are not in favour of legislation making such recommendations mandatory.

The foregoing review of the steps taken by the Department in connection with this particular application for a Board of Conciliation and Investigation indicates quite clearly, I feel, that the Department of Labour made every effort possible to bring about a satisfactory settlement of the dispute, and that there was no undue delay in the appointment of the Board.

In conclusion, you will be aware that any War Labour Board charged as it is with the responsibility of administering the Government's Wartime Wages Policy as enacted in the Wartime Wages Control Order, P.C. 5963, may only do so within the provisions of that Order.

It is not fair, therefore, to charge such a War Labour Board, as you have done in the present instance, with having dealt with your application for a cost of living bonus in a prejudiced manner. On a review of the facts as cited in this letter I am sure that you will agree that under the Order the Regional Board could have made no other finding than that which it arrived at. If there has been any lack of straight forwardness on the part of anyone concerned, it has certainly not been on the part of the Regional War Labour Board for Quebec.

The efforts of your Organization, to the end that aircraft production so essential to the successful prosecution of the war may be maintained and speeded up, are fully appreciated. However, I would remind you that the Price Regulation and Wartime Wages Controls is an integral part of the Government's anti-inflationary policy. Therefore, the best interests of the workers themselves require that these controls be maintained. Practically all countries forming the United Nations have found such measures necessary in varying degree. For instance, those adopted in Australia under a Labour Government are very similar to those of our own Canadian policy. New Zealand, which also has a Labour Government, has brought into force as a necessary precaution against inflation what appears to be a very severe system of economic controls.

Disastrous results would follow if the purpose of the Wage and Salary Control Orders was not achieved. All classes in the community would suffer from the evils of inflation, and from these evils of run-away prices no one would suffer more than the workers themselves.

In your Memorandum you suggest that either wages or cost of living bonuses should be increased for the aircraft workers in Montreal represented by Lodge 712. As already indicated, it is impossible that any increase in the amount of cost of living bonus can be authorized within the provisions of P.C. 5963.

Insofar as increases in basic wage rates are concerned I note that comparison of the basic wage scale of the Noorduyn, Fairchild and Vickers Companies shows that wage rates have been substantially increased in the majority of their occupational classifications since the outbreak of the war. For instance, I find that the basic wage rate for Journeymen Machinists has advanced from 65 cents per hour to 80 cents per hour exclusive of cost of living bonus. Production Workers "A" generally, have advanced from a range of 50 cents—55 cents per hour to a rate of 65 cents per hour and other classes of employees have benefited from similar increases in their rates of pay.

Under the Price Regulations and Wartime Wages Control Orders it is evident that wage rates adjusted in accordance with agreements between employers and employees subsequent to the outbreak of war in 1939, and particularly as late as 1941, must generally be regarded as the rates of pay to be maintained and supplementary to which there should be paid a cost of living bonus in accordance with the provisions of P.C. 5963.

It is apparent that any increases in rates of pay now made effective, particularly in war industries, must be borne, either directly or indirectly, by the Government through taxation. It is, therefore, also evident that any further increases in basic wage rates to employees of industries who are enjoying the benefit of substantial increases in their wage rates, made effective since the outbreak of war, would impose an undue burden on the many employees of other employers who have not received similar increases in their rates of pay, and who are not enjoying the benefits of cost of living bonus payments beyond that of the amount of 60 cents per week made effective under the General Order of the National War Labour Board issued under date of August 4, 1942, in accordance with the provisions of P.C. 5963.

Yours very truly,  
(Signed) HUMPHREY MITCHELL.



## EXHIBIT E

DEPUTY MINISTER OF LABOUR  
CANADA

OTTAWA, February 2, 1943.

JEAN PARE, Esq.,  
Acting Business Agent,  
Lodge 712, I.A.M.,  
Room 200,  
1502 St. Catherine St., W.  
Montreal, P. Que.

Dear Mr. PARE:

With reference to representations made on behalf of Lodge 712, International Association of Machinists, in connection with "Wage Stabilization" I am instructed by the Minister to advise you as follows:

1. That the Minister has a special representative of the Department in Quebec city reviewing the various phases of the matter of application to the Regional War Labour Board and the decision made in connection therewith. The representative sent was one of the regular staff of the Department who has instructions to go into the matter very carefully. On receipt, which will be in a very short time, his report will be analysed thoroughly by the Minister and given careful and sympathetic consideration.

2. I am instructed to further advise you that it is the intention of the Government to make the Aircraft industry one which comes under the purview of the National War Labour Board rather than the Regional War Labour Board.

You may be further assured that the matter will be given prompt and thorough consideration.

Yours very truly,

(Signed) A. MacNamara,  
Associate Deputy Minister of Labour.

## EXHIBIT F

MONTREAL AIRCRAFT LODGE 712

*International Association of Machinists*  
*Information Bulletin*

The following is a record of an exchange of telegrams and a press release on the occasion when the Montreal aircraft plants under agreement with Lodge 712 were ordered to shut down on Monday, May 24th, by the Department of Munitions and Supply. This order was issued after several of the plants had expressed the intention to work because of the need for production.

*Telegram*

The Hon. C. D. Howe,  
Minister of Munitions and Supply,  
Ottawa, Ont.

May 21, 1943.

Rumours that the Montreal Aircraft plants will be closed on Monday by order of your Department stop Can hardly believe this to be true in view of the urgent need for aircraft produced in these plants stop Will appreciate immediate reply.

Jean Pare, Business Agent,  
Aircraft Lodge 712.

*Press Release*

May 22, 1943.

*War Plants Close on Government Order*

Orders issued this week by the Department of Munitions and Supply to the effect that war plants shall be closed on Monday, May 24, if their operation involves the payment of double-time, were received by Montreal's aircraft workers with indignation. Some plants had posted notices that employees were to work Monday, but later cancelled them on receipt of the government's order.

Jean Pare, Business Agent of Aircraft Lodge 712 of the International Association of Machinists, issued the following statement:—

"Coming at a time when the production of planes is vital to backing the attack on the Fascist axis, this order is another indication of the indifference on the part of the Department to the question of production. It ranks with the recent lockout of 8,000 Boeing workers in Vancouver in the effect it has on the morale of war workers, as well as on the actual output of war material.

"The same people who are responsible for this action have used every opportunity to slander our workers on the 'absenteeism' bogey, yet here we find them deliberately closing down plants whose output is vitally needed.

"The double-time provision has been an accepted one in our agreements for years, and our workers are entitled to extra compensation for giving up the badly-needed holiday. This attempt to reduce the problems of war production to a penny-pinching proposition is nothing other than an attack on labour standards, and on the war effort".

*Telegram*

May 21, 1943.

Jean Pare, Business Agent, Aircraft Lodge 712,  
1502 St. Catherine St. West,

Retel Montreal Aircraft plants will be closed on Monday because the agreement with your Lodge specifies this day as a holiday stop. At the time of negotiations of this agreement your Lodge was aware of the vital need for aircraft yet insisted on the necessity of a holiday on May twenty-fourth accordingly the holiday will be observed.

C. D. Howe,  
Minister of Munitions and Supply.

*Telegram*

May 22, 1943.

Hon. C. D. Howe, Minister of Munitions and Supply, Ottawa, Ont.

Your telegram received re closing of plants Monday May 24, stating that this action is taken despite vital need for planes because of our insistence that recognition of holiday continue in our agreement.

In view of war emergency we have always urged our members to forego their holiday in the interest of production but we fail to see why labour standards which have been established for years should be broken down when they do not hinder production stop. Coming from your department where dollar-a-year men threaten to resign if their 25 dollars a day expenses are taxed we find your action and statements most hypocritical.

We have yet to hear as forthright a declaration of your desire to attack the labour movements and destroy Trade Unionism stop. The callous neglect of the problems of production and your attempt to throw on to labour the burden of responsibility for your own provocations is quite in line with your recent action in closing down the Boeing plant for a week.

In view of our previous experiences it is not surprising to us to learn that plants in this area covered by company-union agreements are working Monday at double time.

In cooperation with the managements of the Montreal Aircraft plants our union has been straining every effort to build higher morale and increased production consciousness stop We have done this with a full sense of urgency connected with our war effort stop We know that war is far from won and that the greatest battles still lie ahead.

We cannot but fear for Canada's future when we learn that a responsible Minister holding the important position that you do should feel that it is more important at this time to break down established labour conditions than to give our boys who are risking their lives in battle the planes they are demanding.

Jean Pare, Business Agent  
Aircraft Lodge 712,  
International Association of  
Machinists.

### EXHIBIT G

*(From Montreal Standard)*

#### *Management and Labour Get Together*

*(By Leslie Garden)*

Quebec is showing the way to obtain dividends for the United Nations by cooperation between management and labour in problems of production and problems of harmony.

So far the demonstration is confined to a relatively small, if highly vital, section of provincial industry, but the revelations that this section of the aircraft industry can offer should make unionists and managements in all parts of the country ponder the advice that is coming from high quarters—the advice that they go and do likewise.

It is not long since the aircraft industry, sprouting like a green bay tree, was suffering from all kinds of growing pains. From a few hundred workers at the opening of war, its employees now number more than 50,000 men and women. This rapid growth, entailing all manner of problems for government, management and labour, gave headaches all around. There were labour disputes among them, relics of the old worker-and-boss attitude of "No compromise".

Then, in the vicinity of Montreal, came a great change, and with it labour-management production councils and the closest harmony between those who turn out the work and those who direct its production.

This is the lesson I learned from contact with two plants that between them are employing over 11,00 workers in the production of aircraft. The manager of one of these plants told me without a moment's hesitation, "This cooperation has paid dividends in countless places." The vice-president of the other, where the production council idea has not yet been carried as far or applied for as long, sees great possibilities for the future.

#### *Increase Seen*

An early call in the course of investigation was on R. B. C. Noordouyn, vice-president of Noordouyn Aviation, Limited.

"I manage my plant myself, not some bankers and brokers sitting in St. James Street," the vital Mr. Noordouyn told me. "The workers know that I have been through the mill and understand their problems as well as my own. The



production council has not been really functioning long enough in my plant for me to offer a definite report on its progress—only since March. But undoubtedly it is going to result in increased output in time.

"As I see it, these councils are extremely valuable as a contact between management and labour. They let us see what is in the other fellow's mind, help us to understand why that thing or the other is done. Sometimes we have got a shock, how little knowledge the union had of our problems, and I suppose they have had as big shocks. When these misconceptions are removed, we are getting somewhere, and this is a time for mutual confidence.

"Our men have wanted to know, for instance, why we don't make airplane engines in Canada. Well, we could explain easily that it was much better to make a deal with the U.S.A. owing to the capital involved and the time-element. They saw the point at once when it was put in black and white, and one of those psychological doubts that all have their effect upon production was immediately removed.

"Then they wanted to know why the switch from one plane to another, and we explained that the British had come along with a strong plea for a certain type of bomber. And there was the time they were disturbed about the lack of material. We were able to explain that satisfactorily, too. It's mighty useful to know what the workers have in their minds. Their ideas may be cock-eyed or sound, but when you can get at them it helps a lot with your problems."

I asked Mr. Noorduynd if the council had stimulated the outflow of new efficiency ideas from the workers. His reply to the question was that his company had always encouraged new ideas with rewards, but that the production council was now developing the suggestion angle in a big way.

### *Good Ideas*

I found this supported on visiting the main plant, where I heard that forms asking for production suggestions had been distributed to all the workers. Of these, no fewer than 35 per cent had been returned. Many of them were admittedly useless, but little, smiling Roger Bilodeau, chairman of the workers' boost-production committee, which meets the management in the production council, said that a special sub-committee of the workers was still going through them. One that came from young Rene Gogne, a youth in his early twenties who had done only three months' work in a machine shop, has reduced an important operation from an average of ten hours to one of two and a half hours. And the operation, previously needing a skilled workman, can now be performed by an apprentice.

"The workers in this plant are getting fair treatment from the management, they know what the war is all about, and they feel that they are vital parts in the plant's production, not just cogs," said Mr. Bilodeau.

### *In Fairchild's*

At the plant of Fairchild Aircraft, Limited, I talked with N. F. Vanderlipp, general manager and chief engineer.

Here a joint production committee has operated since last December, and Mr. Vanderlipp has nothing but praise for the results.

He told how, faced with an Ottawa demand to double the production of a twin-engined bomber, he had called in the workers' members of the committee. "I told them that the plant had been built to take care of its existing output and that consequently I could give men only an increase of ten per cent of personnel or else they would not have space to move. Can you get every worker to increase production 25 per cent?" I asked.

"That was on a Tuesday, and they said they wanted until Thursday afternoon to talk it over with the rest of the workers. On the Thursday they walked in here and their answer was 'Yes, the boys and girls will do it.' And they have done it! Have kept the pace up without any sign of slackening for four months."

Mr. Vanderlipp told of another example of co-operation. The R.C.A.F. had a number of damaged plane wings on their hands, and they had no nearby repairer to give them to. They went to Fairchild's to avoid having to send them to either coast, as they were needed in a hurry. "I sent for the committee and asked them to tell every man in our wing manufacturing department the story, to explain that the management was not trying to get more out of them for nothing. Faced with ten per cent more work, the men did not hesitate. They did the job in record time and kept up normal production of new wings."

"The idea has paid dividends, then?" I asked.

"Yes, in countless places. Production may lag in some departments. It may be supervision fault that I do not know anything about. It is brought to my attention and the trouble removed. Or it may be that through no one's fault material is held up for a week. We go through the records with the committee. The production report shows that a department is 25 per cent below schedule for the week. Now the trouble, whatever it was, has been removed. Will the committee see if the department can catch up in the current week? You bet they will, and the department catches up, too. Why? Because they know that when their own fellow-workers talk to them they are not being taken for a ride. In the past, not always without reason, the workman has grown a bit suspicious, as you know, but we give his own representatives full access to all our records.

"When the management has fallen down, we admit the fault, but we ask the workmen to help make up for our mistake, and they never fail."

### *Real Co-operation*

Maurice Provost and Herbert Heymans, members of the committee and of the union shop committee, like Roger Bilodeau at Noorduyn's, came to the manager's office. One was smoking a cigar and the other a cigarette. They came as men who were standing on their two feet.

They, too, told me that both as production boosters and as workers, the employees were getting 100 per cent management co-operation. They told me how the workers had suggested that material in storage could be more efficiently employed if it were available around the shops; how the committee had impressed upon the workers not to discard material they had spoiled for fear of being fired, but to pass it on so that it might be used again; of how greater production had been reached by a rearrangement of machines.

"Plenty of these things I never even hear about," put in Mr. Vanderlipp with a smile. "The whole problem resolves itself into equipment, space, material and labour. Space and equipment are my job, material comes under the production department, which orders six months ahead to assure a constant supply. The production people in the office see that the material gets into the shop—and the shop production people see that it's made."

### *Everybody's Talking*

Everybody in Canada is beginning to talk something that has been operating in England for some time—greater co-operation between management and workers to speed war production.

The subject has been stressed by the Hon. C. D. Howe, Minister of Munitions and Supply. Elliott M. Little, Director of Selective Service, put the topic in very direct, unadorned words to the Canadian Manufacturers'

Association; and the Association afterwards adopted the principle as its policy. Ralph C. Bell, Director of Aircraft Production, had previously gone further than talk by setting up joint-production committees in every aircraft plant in the country. Progressive newspapers had anticipated this flow of words and limited action, but in Montreal the managements of Fairchild and Noorduyns, employing more than 11,000 people between them, had seen the light in a practical sense before even the newspapers.

To say that these managements saw the light as the result of union pressure might invite criticism. Yet the fact is that—much as either managements or union dislike to recall it—there was not this degree of co-operation between workers and management in these plants last year. Particularly in one of them, where now sweet harmony reigns, was there quite a lot of friction.

Then came the time when the new aircraft workers' union, Local 712 of the International Association of Machinists, gained recognition and improved working conditions for the industry. After that, whether by coincidence or not this writer cannot say, production co-operation was enhanced. A morale that you can sense on entering the plants became evident.

If we were asked to indicate the man, who, more than any other, could claim credit for this dawn of a new spirit in Canadian war industry, we would be inclined to point to Robert Haddow. This soft-spoken, middle-aged Scot is the A.F. of L. Grand Lodge representative of the Machinists' International in Montreal. He has held this influential Labour position for a number of years, and prior to that was ranked as a highly expert tool maker.

### *Better Now*

It is no secret that labour conditions in Quebec have always been on a much lower standard than in Ontario and the rest of the western part of the country. Mr. Haddow reasoned that there was a great deal of resentment growing among the workers as a result of these conditions, and this, he maintained, was not in the interests of a full factory war effort. Very much to the contrary. He set about unionizing the war workers and fighting for better pay than they had obtained in the past.

As a result, Mr. Haddow was very unpopular in certain circles—he still is in some places—up to a year ago or less. Yet only last March he was invited by the leading executive of one of the aircraft plants to take the platform with him and address the workers on the need for an all-out effort to win the war at the lathe and riveting machine. It would seem that some managements now see in Mr. Haddow the type of Labour leader who can be more of a help than a menace.

At the risk of labouering the part of "Bob" Haddow in what has occurred it is important to mention his leading part in organizing the Quebec Joint War Labour Organizing Committee. This may or may not have been a shrewd move to introduce unionism under the cloak of a great war effort, but most people who talk the matter over with Haddow will get the impression that he is sincerely anxious to beat Hitler and that he considers that the time for militant unionism of the "all right, we strike" brand is not war time.

"This is our war," he tells the workers. "If we lose it we can be sure that Hitler will shoot every mother's son of us gathered in this hall, no matter whether he be French or English Canadian, worker or employer, Catholic or Protestant, machinist or government official.

"He has sworn to make Canada a Nazi colony. Then our factories would be dismantled and the machinery destroyed or shipped to Germany. Our employers would be ruined. Our farmers would be robbed and reduced to serfdom. Hitler would trample upon French and English Canadians alike to reduce our country to an age of mediaeval darkness."

This was the language to representatives of 75,000 organized Montreal workers in which Haddow appealed for an all-out production effort.



The first to accept the challenge was the aircraft lodge.

When the war started, there were only a few hundred aircraft workers in the Montreal vicinity. At the time of this appeal, there were many thousands and their numbers were growing, largely from the ranks of young people who were as inexperienced in unionism as they were in factory work. The lodge started an energetic publicity campaign, booklets and pamphlets which dramatically presented the case for greater production being used to support the French and English appeals made verbally by union executives.

Co-incidentally, the aircraft workers, who had been receiving as little as 20 cents per hour two years before, were able to obtain a basic minimum wage of 52 cents—for both men and women—the first time, it is claimed, that a major industry in Quebec had established equality with Ontario rates of pay.

### *Going to Town!*

Yet the lodge officers felt that they had to get away from the peace-time idea that their new-born organization existed, like old-time unions, just to regulate wages and other conditions of employment. Who, they asked, was better fitted than themselves to help workers realize the seriousness of the war situation? To boost morale, and to act as a vehicle through which the workers could suggest production improvements? "If the workers are to show themselves worthy of the future promised them in the post-war world, they must share the wartime responsibility," they reasoned.

In the fall of 1941 there was a conference of several hundred union shop committee delegates and a radio broadcast was directed from it to the workers in the factories. Following this, Mr. Bell issued a press statement challenging the aircraft manufacturers regarding production. "Is your excuse the fact that you cannot get certain materials?" he asked. "Or that some equipment that the government should have furnished hasn't turned up? Or that labour unions have too much control in your plants?"

In one case, management and union asked the workers to assist the government to complete an order away ahead of schedule. By working 80, 90 and 100 hours a week, the workers completed the job months ahead of time—then 500 of them were laid off. "It has been pretty difficult to talk production in that plant since," says the secretary, Irving Burman. "The management's excuse was that it had received the contract for its order for new machines too late to permit of tooling up to be done in time. Yet it seemed to the workers that tooling should have been going on all the time the old order was being completed. The company had the order then—and that would have been real management-labour co-operation.

### *Brass Tacks*

To meet similar situations, the union made a series of comprehensive suggestions when, at the beginning of 1942, Mr. Bell sat in with workers and management to consider means of increasing production. These suggestions included:

Continuous operation in plants; temporary personnel to be obtained from auto and kindred industries; the pooling of resources by all the plants in the industry to meet any sudden emergency in material supply or man-power; a system of plant production councils of equal representation by management and workers to consider ways of increasing production, to gather suggestions from workers, to organize inter-departmental competitions, to eliminate absenteeism and all waste of material and time, to assist in training new workers, to aid in A.R.P. work, to organize educational work among employees regarding questions of production.

Now, with all the big guns booming for the same idea—even a hint of "or else" coming from official sources—Canada appears to be headed for a new era in labour-management relations: One in which each will seek to understand the ways of the other in order that all might win the war.

The CHAIRMAN: All right, Mr. Carlin.

Mr. R. H. CARLIN (International Union of Mine, Mill and Smelter Workers, District 8): Mr. Chairman, our brief is as follows:—

In presenting the viewpoint of the International Union of Mine, Mill and Smelter Workers Local 598 of Sudbury, we wish to express our appreciation to the National War Labour Board for making possible these public hearings and discussions and it is our sincere hope that they will result in recommendations leading in the very near future to proper National Labour Legislation.

We believe that the National War Labour Board is faced with very grave responsibilities, with the task of ascertaining and submitting to the government a formula for effective use of Canadian manpower for increased all-out production for the winning of the war.

Effective use of manpower can only be attained when the experience, knowledge and skill of labour is recognized fully, when labour is made a full partner in the war effort. Labour-management Production Committees in plants and factories, labour representation on government planning and administrative boards and commissions will be the result of such a partnership.

Such representation implies representatives appointed by organized labour, by trade unions, which in turn require full recognition and acceptance of unions of the workers choice by both government and industry. Only in this way can we attain total production for total war.

#### *Labour Legislation*

Trade unions are formed, in the first place, for the express purpose of Collective Bargaining. The right of such association and of collective bargaining should be established by law. Lip service to such rights is not sufficient. Robert C. Stanley, Chairman and President of International Nickel Company, in his address to shareholders of the company on April 28th stated: (page 8) "It is my belief that recognition of the principle of collective bargaining is not only desirable but is in the best interests of both management and employees. I think that equal opportunity should be open to both wage earners and business men to organize to advance their respective interest."

The right of business men to organize is unquestioned by both government and labour. Briefs have already been submitted on behalf of employers organizations to this board. Labour, however, meets with strenuous opposition to organization from some industrial managements and the management of International Nickel has strenuously opposed organization of its employees in a union of their own choice.

It has been submitted that the Canadian Labour Legislation should be the same as in Great Britain rather than as in the United States. In Great Britain freedom of trade union activity was granted by an Act passed in 1875. It is protected by both British law and British custom. Trade unions *cannot be incorporated in Britain and are not compelled to register. There is no compulsory arbitration in Britain in peacetime.* And there is no legal compulsion on unions in Britain to maintain the collective agreement which they sign with employers. *They are legally free to break it at any time.* But in the last seventy years trade unions have become such an accepted part of the industrial life in Britain that the procedure for amending collective agreements is followed loyally by both sides.

*Trade unions cannot be sued in Britain for criminal or civil conspiracy. They are not responsible for damage done by union members in a strike. Men who commit acts of violence are individually responsible.*

Employers who protest against enacting compulsory collective bargaining legislation would compel Canadian workers to go through the same history of strife to attain their democratic rights that the workers of Britain were compelled to carry on before trade unionism there became recognized as an essential part of any democracy.

Recognized and accepted trade unions do not make trouble, they forbid trouble. Refusal to accept and negotiate with unions of the workers free choice not only fails to eliminate the causes of trouble but adds to them. The results of the actions of the mine operators at Kirkland Lake is a good example of this.

Two of the members of the National War Labour Board sat on the Board of Conciliation in the dispute between Local 240 of our union and the twelve mining companies of Kirkland Lake Camp. The refusal of the companies to recognize the unanimous recommendation of the board followed by the refusal of the Department of Labour to back up the recommendations of its appointed board forced the miners to resort to strike action as their only remaining step to obtain recognition of their chosen organization. The solidarity of the ranks of the workers and the financial contributions from other organized workers from Halifax to Vancouver and from Alaska to California, is proof that Canadian and American workers believed in the justness of the grievance of the Kirkland Lake miners.

The present refusal of the Hamilton Bridge Works management to deal with the union chosen by its employees is another instance of the need for proper labour legislation.

Strangely enough, the right of a worker to employment even in general terms, has never been admitted by either employers or governments in Canada at least. "No Help Wanted—Keep Out" signs are known to all workers. But if workers are forced to take strike action, then the employers demand "the right to work" for their strike-breakers. Employers fight against the right of workers to join a union, but when a recognized union asks for a closed union shop, in which the minority has to help pay for the benefits won by the majority, then management raises the cry of "the right to work" for non-union individuals, and champion the "right" of workers *not* to join a union. Yet it is only recognized unions with agreements protecting seniority and right to a fair hearing that can guarantee workers the right to work. Workers need the legal right to prevent the employer from interfering in the formation of workers organizations—unions.

### *Company Unions*

Such legal right entails that managements be restrained from setting up company unions—organizations "sold" to the workers. Before the LaFollete Civil Liberties Committee in the United States, the Butler System of Industrial Survey testified that it advised prospective clients as follows: "Where it is desired that company unions be formed, we first sell the idea to the workers, and thereafter promote its development into completion. Hundreds of such organizations have been formed by us to date."

The purpose of company unions has been to head off organization by the employees into bona fide unions.

In the Port Colbourne Nickel Refining Division and the Sudbury District Mining and Smelting Division and Copper Refining Division of the International Nickel Company, where our International Union is organizing the employees, the Managements offered "collective agreements" to the Welfare Associations in the plants in November, 1942, to



coerce the workers from joining a bona fide union. Assistance was given by the management in the forming of the company union United Copper Nickel Workers, around the agreement at Sudbury. Minutes posted up on plant bulletin boards describe the formation of the U.C.N.W. in the office of the Vice-President, Donald McAskill, (now deceased) at Copper Cliff. (Copies attached, Exhibit "A").

Mr. COHEN: Would you mind telling us when your union started organization work in Port Colbourne?

Mr. CARLIN: In October, 1942.

Company officials took part in "building" the company union. Organizers worked on company time and with pay from the company to help form this "union". Workers were promised better work places as an incentive to join. Workers active in the bona fide union, Local 598, of our International Union, were coerced, intimidated and demoted in an attempt to stop the formation and growth of Local 598. (Exhibit B). Previously our office on Durham Street was smashed and two organizers beaten up by gangsters employed at Inco's Frood Mine.

At Port Colbourne the management refused to recognize Local 637 of our International Union representing nearly 90 per cent of the 1300-1400 employees of the refinery on the grounds that they already have an agreement with the "Welfare Association" which has 17 active members. (Exhibit C).

All this is contrary to the expressed "beliefs" of Inco President Stanley stated above. It is contrary to all recognized democratic rights. It not only emphasizes the need for compulsory recognition of and bargaining with bona fide unions but also the need to prohibit company unions in the interest of Canadian workers.

Mr. COHEN: When did you start organization work in Sudbury?

Mr. CARLIN: May, 1941. The campaign was carried on loosely, more or less underground, for about eight months. We established a charter in May, 1942.

We assert that employers and managements should be prohibited by law with penalties sufficient to obtain observance of the law from any restraint, influence, intimidation, coercion or interference against any employees or applicants for employment because of union membership or activities.

I may say we have had hundreds of cases up there where men were dismissed because it was believed they held union membership. We have numerous sworn statements. We even had a conciliator come up. I think he was satisfied in his own mind that these things did happen up there.

Organizations of workers in any union dominated or influenced, financially or otherwise, by management should be prohibited.

As though recognizing the possibility of such legislation some of which has already become law in the Province of Ontario, the Company Union, U.C.N.W., is attempting to masquerade itself in the form of a bona fide union. For example, using so-called "stewards" in a few parts of the plant, an office established away from company property, and issuing of public statements, attempting to give the impression of being a bona fide union. But only a small portion of the number employed have joined the U.C.N.W., in spite of its "agreement" for all employees. There has been no vote of employees on acceptance or rejecting of the "agreement" presented by the company and accepted by the Welfare officials. It remains a weapon in the hands of the company for use against the majority of the employees, who are members of Local 598, International Union of Mine, Mill & Smelter Workers.

At Falconbridge Nickel Mine there is still another form of company union, a Workmen's Council. Management naturally endeavours to leave the impression that the Workmen's Council is actually obtaining benefits for the workers—all day suckers, designed to temporarily pacify the workers, new lockers, free soap, renovated dry rooms and at all times a willingness to *listen* to the pleas of the Workmen's Council. As the management always has the deciding voice, the pleas are futile.

The manager of Consolidated Mining & Smelting Corporation stated before a committee of our union that the company union there "cost \$68,000 last year (1942) to maintain."

Mr. LALANDE: What has the Consolidated Mining & Smelting Company to do with a union in Sudbury?

Mr. CARLIN: No, it has not. The fact is that we are organizing out there now.

The sudden formation and support of company unions, by corporations with a consistent anti-labour policy such as Inco has, is only a continuation of their anti-labour policy; of their opposition to their employees joining a union of their own choice.

There is a great need for "an enforceable legal duty" on employers to bargain collectively. For restrictions of collective bargaining benefits to bona fide trade unions and genuine employees organizations such as Teachers Federations and Civil Employees Associations.

Such law should guarantee in explicit terms the freedom of association and self-organization without intimidation or discrimination. It should cover all employees—manual, technical and professional, excluding those with power to hire and fire. It should provide proper means of determination of the collective bargaining unit, with machinery for taking a secret vote under impartial auspices to determine representation. Such legislation would enable workers collectively, through their unions, to work together with government and industry for greatly increased and vitally needed production. It would give workers the equality to which they are entitled, raise morale, provide means to greatly eliminate absenteeism and provide the means for more efficient production.

Mr. CARLIN: Mr. Russell will read some of the brief now.

Mr. RUSSELL: *Labour-Management Production Committees*

Speaking at a Labour-Management Production Committee Conference in Chicago, Philip J. Clowes, Associate Director of the W.P.B., Production Division, U.S.A., pointed out—"The worker on the job day in and day out knows, perhaps a little better than the foreman, superintendent, or general manager, what goes on. He might be able to tell how shortage of materials holds up the job, or why too frequent breakdowns occur, due to poor repairs or maintenance." "I am sure that top management will be told of a lot of things a boss can't see. The men on the job can see more clearly than anyone else, for they are there all the time, every day, working with such details."

At Indianapolis, U.S.A., Director of W.P.B. Labour Production Division, Mr. Wendell Lund, told a United Labour for Victory Rally: "Plant Labour-Management Committees are the only medium through which to harness the full energies of free workers and industry and to provide the sense of responsibility and self-discipline which will enable us as a democracy to beat any system of Axis slavery."

In the U.S.A., Labour-Management Production Committees have been sponsored by the War Production Board since March, 1942, and as of January 1, 1943, there were 1,919 such committees, representing over 4,000,000 organized union workers. In October, 1942, a five-man

Production Drive Policy Committee was set up, to determine policies under which the joint labour-management committees in war plants can best contribute to increased war production. The committee contains representatives of the *American Federation of Labor*, the Congress of Industrial Organization, the National Association of Manufacturers, and the Chamber of Commerce.

In Great Britain signed agreements on setting up labour management committees between the Trade Unions and the Employers Federations and the British Ministry of Supply on behalf of all Royal Ordnance Factories, govern functions of these important committees in each plant. Only organized workers are acceptable to represent the workers on these committees. The many matters they deal with, and mode of operation, are described in the June, 1942, *Labour Gazette*, pages 700-701. Special type joint-production Pit Committees in the mines are increasing the output of coal. Special joint production committees in Britain now cover groups of factories making parts for the same finished product. There are also industry-wide joint production committees.

In Canada, while the idea of such Labour-Management Production Committees is recognized by government, and, except for industry-wide committees, formation and functions of such committees is clearly outlined in the *Labour Gazette* for March, 1943, pages 304-5-6, experience has shown that such committees only function efficiently where the workers' representatives are appointed by *bona fide* unions, holding a collective bargaining agreement with managements involved. Only in this way can the workers know that these committees are not being used to exploit them for the benefit of the management. Only in such cases is the morale of the workers kept at the proper pitch for all-out production.

Naturally representatives of organized labour should be on all boards and commissions set up in connection with war production with equal voice and vote.

### *Manpower*

The question of manpower, and distribution of manpower is one that cannot be properly settled without the help and co-operation of organized labour.

The turnover of labour in the nickel mines has been as high as ten to twelve per cent monthly. Men needed on the farms, bank and store clerks, etc., are being hired as miners, while experienced miners have been demoted to less skilled jobs, or given their release because of membership in our union. In the mines and smelters many hundreds have joined the armed forces. A situation as bad as that allowed to take place in the coal mining industry can take place here if this is permitted to continue. An Ottawa despatch in the *Globe and Mail* of May 14, 1943, states, "In the base metal mines . . . there is still a shortage of more than 2,000 men."

The nickel district daily press and the gold mining camp press, at the time of the transfer of gold miners to the nickel district arranged by Elliott M. Little, displayed prominently propaganda to the effect the gold miners were not suitable for nickel mining because of the system in effect in the nickel mines. Gold miners generally work at all mining jobs, becoming experienced in each of them. Practice in nickel mining divides the various jobs among different men, each man having only one or two kinds of tasks to perform. To claim that a man skilled in doing all the jobs would not be able to do one or two of the jobs is indeed foolish. The truth is, that many of these gold miners transferred by the National



Selective Service were found by International Nickel Company to be very expert and efficient miners, and in some cases were asked to undertake the training of new workers in the mines.

Inco was especially averse to hiring skilled miners from Kirkland Lake. That is, and it was made quite evident, this company's policy has been not to hire union-conscious workers. The *Labour Gazette*, page 179, February, 1943, states "The urgent need of International Nickel Company for miners was met in part by a transfer of gold miners from the Timmins and Kirkland Lake area." Inco refused to accept many of these miners. If, as requested by organized labour, the Manpower Transfer Board in charge of transferring gold miners to basic metal mines had contained elected representatives of organized labour such sabotage of the war effort as refusing to accept experienced miners from the gold camps for, or to permit their transfer to, vital war metal centres would not have been possible without the facts being brought to the attention of the government and the public. In the interest of National Defence and of democracy labour must be represented on all government boards dealing with production and with labour.

It is criminal that any slowing down of production of vital war metals has been permitted. From mining the ore to finished ships and guns is a long process. Immediate action to guarantee maximum production of all vital needs is imperative. Increasing offensives against the fascist enemy demand guarantees that these can be maintained and increased.

There are thousands, perhaps tens of thousands, of former nickel mine workers across Canada and in our armed forces. If the workers of the Sudbury Nickel Range were to win industrial democracy and secure recognition of their chosen union by the nickel companies followed by a collective bargaining agreement, it would end the anti-labour fight of Inco and open the way for an ample supply of experienced mine and smelter workers making it unnecessary to run the vital nickel mines with unskilled labour or under-staffed. Adequate labour representation on manpower and Selective Service Boards would lead to proper movement of skilled men as required to the base metal mines and smelters.

Sudbury, instead of being notorious as the centre of open shop, anti-labour, feudal domination of the workers by the great international monopoly, International Nickel Company, could become famous as the model community of North America, with all the modern facilities for health and recreation that this implies.

### *Proper Wages*

The operating profit of International Nickel Company of Canada, Limited, for the year ending December 31, 1942, was \$75,903,513, according to the auditor's report to the company's shareholders. In addition, inventories of stocks on hand—with no increase in price of nickel—increased by \$4,402,650, or a total of \$80,306,163 gross profit in one year. After provision for taxes, insurance contingencies and retirement system of \$31,174,195, the company had for this one year a profit of over 49 million dollars. (These figures represent United States currency. New York discount on Canadian Dollar on May 20th was 9 13/16% or nearly 5 million dollars more in Canadian funds).

The present staff of Inco in Sudbury camp is approximately 13,000 including office staffs.

Any company allowed to exploit the mineral wealth of Canada on such a scale, need not at the same time be allowed to exploit the workers of Canada, not only of the results of their labour, but of their democratic rights as Canadians.

Only proper National Labour legislation, with severe penalties against companies infringing the law, will guarantee the workers of Sudbury district the democratic rights they have lacked for many years.

In addition to being the centre of the United Nations nickel supply, Inco is the largest producer of copper in the British Empire and the world's largest producer of the platinum metals which are also important war metals. (President R. C. Stanley's report to shareholders, Toronto, April 28/43) President Stanley's report to shareholders envisages many new uses for nickel after the war, offsetting any loss to competitive substitutes such as plastics and other metals and alloys, in spite of the fact that the company has been granted, \$25,000,000 remission of taxes (P.C. 5768) for extension of production facilities during the war. The profit stated above for 1942 was not just a special wartime boom. Profits before taxation were even greater in 1937.

Granting of necessary wage adjustment and increases to nickel company employees would not necessitate any increase in the selling price of their product. While we strongly disagree with the fallacy that increased wages cause inflation by increasing prices, such prices supposedly being controlled, any increase in prices of nickel mining products is totally unnecessary to provide the employees of these companies with the wages necessary for a proper and decent standard of living.

A private consumer has presented a brief to this board stating that "Higher wage rates...impinges with great severity...upon the farmers." But the facts are that higher wages to urban workers result in their securing more and better food, resulting in a greater market for farm products, with resultant beneficial results to the producers. No doubt in the majority of cases for some products, the distributors get a great portion of what the farmers should receive, but this is not the result of adequate wage rates to the consumers.

The cost of living bonus has not provided the actual increase in the cost of living that has actually taken place. The "cost of living index" basis is itself set on too low a basis and is too restricted. It is hard to envisage a hard rock miner being able to do his job properly on a diet for a family of 4.6 people which provides a weekly allowance for the family of nine pounds of meat and fish, 1.4 pounds (1 dozen) eggs, 12.1 pounds (8 loaves) of bread, etc., or of being able to work underground on an annual allowance of one work shirt, one pair overalls, 3.5 suits of underwear, (spring, summer and winter weights specified) 2 pair work shoes and no hat—or miner's helmet, as shown in the *Labour Gazette* "Explanation and Description of the Dominion Bureau of Statistics Cost-of-Living Index", page 535-6, April, 1943.

In the same *Labour Gazette*, page 547, rents in Sudbury are shown as 56 and 57 per cent higher than the Dominion average and the highest for the 69 Canadian cities listed. Rents in Sudbury are higher than those shown in this table. Two people living in one furnished room often pay rent of \$20 a month for the room. Three-room apartments in old buildings are often rented at \$40 to \$45 monthly. One family in a six-room house is almost unknown in Sudbury among workers.

Fuel prices are considerably higher than the Dominion average and there is no gas for heat or cooking. Transportation costs are quite high.

Many families receive less wages than the \$1453 annual average that the cost of living index is based on. Though the present full cost of living bonus (\$4.25 weekly) is paid in the mining and smelting industry, deductions for insurance, doctors, income taxes and compulsory savings greatly reduce the gross earnings of all the workers.

The full cost of living bonus, based on the real increase in living costs in the past four years, should be paid to all workers in Canada. This calls for a new index basis, which should not include sub-standard wages of \$600, as the present one does, in figuring essential requirements. The full cost of living bonus should not be affected by wage adjustments or increases. That is, any such increases should be in addition to the full cost of living bonus.

Miners and smelter workers require more substantial food than workers in some of the lighter industries and professions. Rents in the hard rock mining camps are high. Wage rates necessarily must be higher than the necessary minimum required in some centres.

We believe the essential minimum wage rate for Canada should be set at not less than fifty-five cents per hour, plus full cost of living bonus, for all workers. With this as a base, adjustments for needed higher minimum rates in certain centres and industries can be made.

The Toronto Welfare Council study of requirements lists the minimum for a "Health and Self-Respect" standard for a family of five—in the city of Toronto—as \$28.35 a week or \$1,475 per year. This on the basis of a 48-hour week is equal to fifty-nine cents per hour without allowing for statutory holidays, sickness, etc.

In this war for democracy there should be no question of Canadians not being able to secure and maintain essential health and self-respect. The cost of living has increased more than the present cost of living bonus payments since 1939. The setting of the minimum wage standard at fifty-five cents hourly should be an immediate step to bring those workers on a subsistence standard of existence nearer to a health and decency standard.

At the same time, control and in some cases, lowering, of prices should be rigidly enforced, combined with strict rationing of scarce necessities. Such rationing must take into consideration the different requirements of workers on different jobs. For instance, a steelworker or a miner requires more of certain foods than a typist or a bank clerk.

### *Incentive Bonus*

For maximum production to win the war, a system of incentive wage bonuses, over and above basic pay rates, is necessary. Real incentive bonuses are not those that pay a stated amount for each unit of work performed, but are those that operate on an increasing scale.

For example, if for a ton of ore mined or steel rolled, over and above the fixed probable output agreed upon by Union and Management, a 20-cent bonus was paid, the second ton would receive possibly 25 cents, the third ton 35 cents, the fourth possibly 45 cents, and so on. Once a reasonable incentive bonus has been established there must be guarantees that those workers able to increase their wages by this will not be penalized by having their rates cut. It is generally understood that increase of labour output does not increase overhead costs, and such a system of incentive bonus is quite fair and reasonable. With union representatives acting with management on the administration of such a bonus, it can be made a real weapon on the home front for production for action on the war fronts.



### *Housing Needs*

In order that workers be able to maintain health and morale, eliminate absenteeism and retain the energy for continuous all-out production, they must have decent housing conditions, rest and recreation.

One reason for the high rents in Sudbury district is the crowded housing conditions. Plumbing facilities are limited in many three and four-family buildings to one bathroom—and in many cases no bath tub.

While perhaps outside the scope of these hearings, it might not be entirely out of order to point out that the great mining and smelting industries that rely upon the population of Sudbury for their existence and operation pay almost no taxes to the municipality—and that only on small property holdings. This city of industrial workers with no large industry within its limits requires that it receive some taxation from the corporations feeding upon its existence.

Housing conditions are such that new workers' homes are required immediately. Priorities on building materials for workers' homes, use of wartime housing and more use of Government Building Loans are urgently needed to provide necessary homes. Government Building Loan regulations appear to require standards that cost more than most workers can afford, at least at wartime prices quoted by local contractors. Apparently building materials are outside the scope of price control.

Wartime housing would relieve the housing shortage. However, accepting the report of President Stanley of Inco, it appears that any such housing would have to be replaced by permanent housing later on. Climatic conditions must be considered in connection with temporary housing.

Decent housing conditions would increase the amount of rest workers get, or at least enable them to take fuller advantage of it. However, in the Inco mines workers get only two free days per month, and in the great open pits about two days per year. This is one of the reasons for excessive absenteeism among Inco workers.

### *Absenteeism*

At Falconbridge Mine and Smelter, where the six-day week prevails, April absenteeism averaged about one day per worker per month, or less than 4 per cent, which is considered fairly good here. In the Inco mines, while no figures are available, it is believed to be much greater. In fact, a six-day week with the present forces should produce as much ore as at present, with cutting of absenteeism. A seven-day week every week is quite feasible, with extra men to relieve each man one day per week, as is done in the smelters. The experienced men are available, in mining camps across northern Ontario and Quebec, and in most Canadian cities. Proper utilization of skilled Canadian labour is all that is required, plus the needed housing, health and recreational facilities.

Recreation and rest facilities should include more bathing facilities at nearby lakes, with more transportation provided; rest parks in the city, and children's playgrounds, etc. Government assistance is required in some form to provide the minimum needs for proper health and morale.

Improved transportation facilities, at lower cost, are greatly needed to shorten the hours spent going to and from work, and to relieve the drain on the workers' pay checks.

While joint Union-Labour Management Committees can solve most absenteeism problems, outside of community questions of health, in which they could also assist, there is one cause of absenteeism that requires special consideration. A guide-book defining absenteeism, describing causes and suggesting remedies, issued by the U.S. War Production Board

in Washington, comments that, "It appears that the most effective way to attack in-plant causes of absenteeism is through action taken by plant Labour-Management Committees . . . . that sub-committees of Labour-Management Production Committees concentrate on specific absenteeism problems; such as health, safety, transportation, housing and production problems." We bring this to the attention of your board with the hope that it may be valuable in solving Canadian problems, and with the reminder that these committees in the U.S.A. have elected representatives of recognized union locals as labour's representatives.

### *Effect of Income Taxes*

The one point requiring different consideration is that of the effect of the income tax on pay checks. Because of the low wage level at which the income tax begins, and its rapid rate of increase in the lower income brackets, workers find that at a certain point in their work one more day's work will increase the tax rate on the total amount to such an extent that they receive almost nothing for this day's work. Consequently they take a day's rest. In addition to requesting that you bring this condition to the attention of the proper departments of government, we recommend that more educational material explaining the need for and the use of this money be supplied. The daily press in Sudbury is very antagonistic to labour and its union, and does little to properly explain this issue.

The fact that their employer makes such tremendous profits, and is further assisted by twenty-five millions of dollars tax remission for plant expansion by the government, makes these tax increases harder to accept. We will welcome any assistance in and clarification of this situation, which is detrimental to our war effort. The greatest assistance would be the recognition of labour as an equal partner in the war effort.

### *Conciliation and Arbitration Boards*

Actions of government labour conciliation and arbitration boards in the past have in many cases been detrimental rather than helpful in effecting equitable adjustments of labour disputes; prolonging rather than settling many of these. Failure of employers to even recognize such boards shows the need for revised legislation. Details of such cases and suggestions for necessary revision have been made in previous briefs submitted and we will not repeat details here. We endorse the proposals submitted by the Canadian Congress of Labour and the Trade and Labour Congress of Canada on the questions of Regional Labour Boards and Conciliation and Arbitration Boards.

We would like the Board to give special consideration to the next paragraph. It has been given along the same lines in another brief. Incentive bonus has also been dealt with. We feel that housing needs is a subject which is important.

Mr. CARLIN:

### *Labour Code*

To summarize the foregoing, let us state our belief that a new National Labour Policy is urgently needed; that such a policy should be written in a new labour code, applicable also in the peace after this war is won. And that it should include:—

1. Enforceable guarantees of the right of collective bargaining to unions of the workers choice.
2. That it should be an offence for an employer or his agent directly or indirectly to sponsor, support, finance, dominate or exert any

- influence whatsoever upon or in any group, association or organization of his employees established for the purpose of negotiating a collective agreement or carrying on the legitimate functions of a labour union.
3. Provisions for democratic procedure for the determining of workers choice of bargaining agency, by secret ballot when necessary.
  4. That it shall be an offence under the proposed legislation for an employer or his agent, directly or indirectly, to refuse to employ any person of union membership; or to discriminate against, coerce or intimidate any of his employees in the effort to prevent them joining a union, or carrying on activities for or on behalf of a union, or to interfere in any manner whatever with the right of employees to join the union of their choice.
  5. That a minimum National wage scale of fifty-five cents per hour for all be set as the basis for a floor wage. Equal pay for equal work—for men and women.

Mr. COHEN: How do you arrive at fifty-five cents?

Mr. CARLIN: We thought that fifty-five cents should be the minimum. We did considerable research work on that, and we discovered that the prices in northern Ontario are comparatively higher than in other cities.

Mr. COHEN: I wondered why you suggested fifty-five cents rather than sixty cents. I was trying to get at the factual basis.

Mr. Carlin:

6. Adequate machinery for the arbitration of any dispute arising out of the terms of a collective agreement.

We propose that the National War Labour Board be made the National War Labour Relations Board of the Department of Labour, to administer the new labour code and conciliation machinery.

Formation of Union Labour-Management Production Committees in all plants, also on an industry-wide basis; and union labour representatives on all Government Labour and Production Boards, from top to bottom, is essential to attain real labour partnership in the war, making use of the vast knowledge and experience of labour and to achieve an early and victorious peace.

### *Equality, Co-operation, Peace, Prosperity*

Prime Minister Mackenzie King stated to the A.F. of L. 1942 Convention in Toronto:—

"We are all agreed that we are fighting this war for freedom. Man is only free to the extent that he has eliminated fear.

The old order has been based on fear, resulting in conflict alike in *industrial* and in international relations.

By placing the interests of the community before the interests of individuals or groups; by social control, in which government, labour and management all share, human well-being can be vastly increased.

The war has shown us that the way of monopoly, of unrestricted power, is a way that leads to destruction, desolation and death. The only path of prosperity and peace is, I believe, the path of equality, of co-operation, and of human brotherhood.

Side by side with our fighters, it is to the workers that we must look if the enemy is to be destroyed and if freedom is to prevail."

That is why we have prepared the above brief. To propose measures to eliminate fear imposed by monopoly; and obtain equality and co-operation, and through these peace and prosperity.



*International Unions*

Mr. King welcomed the A.F. of L. Convention with these words, in part: "The international organization of labour on this continent is one of the outstanding examples of that unique relationship between Canada and the United States which is without parallel in the history of international relations..."

Coming from a centre controlled by an international monopoly, and in which the daily press continuously slanders the international unions in Canadian Congress of Labour and the Congress of Industrial Organizations, we will close with a few words about our own International Union.

In the United States our International received the commendations of President Roosevelt for its "Production for Victory" plan for increase of vital non-ferrous metals, more commonly known as the "Copper Plan" of our International. Our officers and union have been highly praised by the Director of the War Production Board, Mr. Wendell Lund, for "patriotism", "devotion", "co-operation", and "intelligent leadership". Brig. General William Harrison of the U.S. War Department praised the "courage and foresight" of our International and its officers and stated "the record of your union is good".

The record of our union is good. The strike forced on Local 240 in Kirkland Lake was solid, well conducted, orderly and disciplined, in spite of intense provocations.

Provocations in the Sudbury district have been great. All the forces of monopoly and its press have been used against us; offices smashed, organizers beat up by company-employed gangsters, meeting places cancelled and prohibited, radio facilities refused, slandered in the press, democratic rights denied.

But in spite of all this, we have steadily advanced, building the union the workers want, with only our program for a better community and industrial democracy as weapons; surveying production problems at the same time, preparing for the day when we attain industrial democracy and an equal share in the war effort. We have set up committees to study local needs such as housing, transportation, recreation and other community needs. We were partly responsible for the Fourth Victory Loan campaign breaking all records in Sudbury district, not only in the amount raised, but also in raising it without extending the campaign period as was necessary in previous campaigns.

With other industrial unions in Canada we are building industrial democracy and workers security. We ask that these supposedly inalienable rights be protected.

We are working for greater production for an all-out war effort and the defeat of fascism. We ask for and offer co-operation.

As Prime Minister King pointed out to the A.F. of L. Convention already mentioned, "The era of freedom will be achieved only as social security and human welfare become the main concern of men and nations".

We appreciate the great task the Board has of preparing recommendations for a labour code that will guarantee Canadian workers what British workers won by long years of struggle; that American workers have won through struggle, and have guaranteed in the Wagner Act; that Churchill and Roosevelt summarized in the Atlantic Charter. We hope that any information we have added to that already submitted will be of assistance to the board.

Mr. COHEN: I take it you want all your exhibits in the record?

Mr. CARLIN: Yes, we definitely do.

## APPENDIX A

November 2, 1942.

*Refinery Security Association*

Our committee met in Mr. MacAskill's office at his request Saturday, October 31, 1942, at 10 a.m.

The purpose of this meeting was to offer us a central committee, representing all Inco Welfares.

It was stated by our committee men to Mr. MacAskill that we could not give a decision on this matter until we had thoroughly discussed the question, as this idea had been turned down by him two years ago. He asked for an early decision to enable him to call a meeting for Wednesday, November 4, 1942.

A short meeting was held in the cafeteria at noon Saturday on our return from Copper Cliff to discuss the central committee.

It was decided to try to get a vote of the members by Tuesday noon, whether they wished to accept the proposal or not.

A meeting was held in the cafeteria at 10 a.m. Monday, November 2, 1942. The purpose of this meeting was to discuss the voting in the plant.

By this time our committee had found out that, all Welfares had accepted the proposal, other than the Refinery Welfare, before they had left Mr. MacAskill's office Saturday, October 31, 1942.

After a lengthy discussion it was decided that in order to acquaint all our members with the functions of a central committee before voting on the question, that it would be an impossibility to have a decision in less than a week.

Therefore it was moved that the representatives vote by a secret ballot whether we accept or not. George Jenkins and J. Spiers were appointed scrutineers. A vote by one representative at home was taken by phone. The results were nine votes in favour of the central committee and two votes against.

It was decided at this time to elect two men from our committee (non Calendar day) to represent the Refinery on the central committee at Copper Cliff. W. Winters and F. Scott elected by secret ballot.

These two men were told by our committee that as soon as the central committee started to function the following should be brought up by them at a meeting:

1. Time and a half
2. Rate equalization
3. Seniority
4. Optional holidays.

They were also asked to ascertain the amount of power this central committee would have.

This meeting adjourned at 11.40 a.m. on a motion by Belfry seconded by Bryce.

F. SCOTT.

I was present at this meeting and verify this matter correct.

E. BELFRY.

*Copper Cliff (Inco) Employees Benefit Association*

Synopsis of a meeting held in Mr. D. MacAskill's office between the Board of Directors of the Copper Cliff (Inco) Employees Benefit Association and representatives of the Company, on Saturday, October 31, 1942, in the morning.

President of the Welfare, J. W. Duchene, together with all Directors of the Welfare were present, also the following representatives of the Company: Mr. D. MacAskill, Mr. R. L. Beattie, Mr. R. D. Parker, Mr. D. Finlayson, Mr. H. Rose, Mr. J. Garrow, Mr. E. Gillespie, Mr. R. A. Elliott.

Mr. D. MacAskill started the meeting with a review of work accomplished by the Welfare and a word of thanks for the work done over a period of five years. He also enumerated the advantages accruing to an employee of the Company stating that the Pension Fund now has a balance of \$20,340,000. He stated that a large sum had been expended on the providing of recreational centres for employees and families such as Inco Club, Sudbury and Stanley Stadium, Copper Cliff, etc.; other advantages were Aetna Group Life Insurance, Metropolitan Sickness & Accident Insurance.

In connection with the medical service he said that he knew there were a lot of kicks sent in but for the money the employees pay they got a fairly good service.

He then mentioned that proposals had been received from this and other associations on the following:—

1. Formation of a Central Committee
2. Formal agreement with the International Nickel Company.

Mr. MacAskill then asked if the above were the unanimous wish of the Association. Mr. F. Shore replied that this was the unanimous wish of the Association. He further said that the Association felt that this would give the employees a better feeling of security in the plant. Opinions also were expressed by D. Thyne, W. Ramsay, A. J. O'Neil and T. Moland. Mr. MacAskill then agreed to the formation of a central association and stated that a signed agreement with the Company would be forthcoming as soon as all associations had been contacted. Some discussion took place between Mr. MacAskill and Mr. F. R. Shore on the question of whether or not the new Central Association could be registered as a Union with the Dominion Government. Mr. Duchene then expressed the appreciation of the assembled directors also on behalf of all employees of Copper Cliff.

A formal resolution was then discussed as follows:—

*Be It Resolved:—*

That this Association approve and authorize the formation of a Central Association.

- (a) Consisting of majority of Welfare Associations
- (b) Shall have Board consisting of two representatives from each plant. Such representatives must be hourly rate men with at least one year's service.
- (c) Officers for the Central Association shall be chosen from the Board.

Construction of Central Bargaining Agency to represent and enter into agreement with International Nickel Company of Canada, Ltd.,

*And Be It Further Resolved:*

- (a) That this Association name two representatives, i.e., D. Thyne and T. Moland.
- (b) These representatives to meet with other representatives of the various plants to form a Central Bargaining Agency at a set time and would form and constitute such a body.



Mr. Parker asked if men who were paid per day worked would be classed as hourly rate men; Mr. Beattie replied that such men are classed as hourly rate men.

As Copper Cliff were the first Association called in and another Association was then waiting for an interview the meeting adjourned and the Association held a private meeting and the resolution was formally adopted on a motion by F. R. Shore, seconded by W. Becket.

An elimination election was held to nominate two representatives to the new Central Committee and the following were declared elected by the President.

D. THYNE  
T. MOLAND

J. W. LAMACRAFT,  
*Secretary.*

## APPENDIX B

*Statement of Cecil Sinclair, 374 Garson Road,  
Wagon Driller, Frood Open Pit, Inco.*

*Assistance in forming and building U.C.N.W. by Inco.*

March 13th, 1943.

I was a member of the Executive Committee of the Frood and Stobie Open Pits Welfare Association—which Association represented all departments in these pits. At a meeting of the Welfare Executive in the first week of November, 1942, Inco Acting-General Manager Mr. Beatty, General Superintendent of Inco Mining & Smelting Division Mr. Parker, and General Mines Superintendent, Mr. Mutz came into the meeting and proposed to us that a Central Committee of all Welfare Associations of the Company in this district be formed, to consist of two officers from each Welfare Association. This was agreed to by the officers and two elected by us to represent our Association on the Central Committee. No mention was made of a Union. At this time the Welfare Association did not represent five (5) per cent of the workers in the pits.

All officers of all the Welfare Associations were called to meet in the Inco Club building on or about November 9, 1942. At this meeting Tom Starkey, later president of the U.C.N.W., introduced a typewritten agreement between the Inco Company and the United Copper Nickel Workers. This agreement, presented to the Central Committee by the Company, and by Tom Starkey of the Central Committee to this meeting of officers present, was accepted by us, together with the name of United Copper Nickel Workers.

Mr. O. O'Brien, assistant to Mr. Mutz and now General Superintendent of Frood Mine, went through the Frood Open Pit and every man he came in contact with was asked by him to join the U.C.N.W. Mr. E. P. Reed, Acting Frood Open Pit Superintendent, contacted those men Mr. O'Brien had missed. They took the names and numbers of these men and turned these over to officers of the U.C.N.W.

Voting for election of officers of the United Copper Nickel Workers was taken on Company property, during working hours, on Company time. Scrutineers for this election: Geo. Miles, Suzack, Wally King and Fred Franks were paid by the Company, International Nickel Company, when acting as U.C.N.W. scrutineers in Frood Open Pit. The same occurred in Stobie Open Pit with other scrutineers.

All this, and other facts that could be presented of U.C.N.W. officers doing U.C.N.W. organizing and other business on Company time, prove that the United Copper Nickel Workers has been assisted in its formation and building by the International Nickel Company, Limited.

This is a sworn statement.

Signed: C. C. SINCLAIR  
March 13th, 1943.

Witnessed: J. A. MACLEAN

Witnessed: W. J. GUDRIE

### *Coercion*

*Statement of L. Blais, 171 Notre Dame,  
Married—7 children—Member of Local 598  
Sudbury, Ont.*

Worked Inco 5½ years.

Working at Creighton—pillar at 77 cents.

Saturday, January 30/43, the shift boss, Dougherty told me if I would get behind the company union, I could have 85 cents per hour and a good bonus stope.

This is a sworn statement.

Signed: L. BLAIS  
Witness: W. CHAPMAN

### *Statement of Pete Bodnarchuk, Room BC, Paris Hotel*

Miner—Inco—Frood Mine, 1800 South

Worked for Inco 2 years, Machine Runner.

On February 5th, 1943, James Gordon, organizer for company union, U.C.N.W., spent the full day going through the stopes on 1900 level trying to get men to join the company union, U.C.N.W. He spent considerable time in each stope talking to the miners and holding up production.

This is a sworn statement.

Witness: BERNARD NEWMAN

Signed: PETE BODNARCHUK

Witness: M. RIPKA

March 12, 1943.

### *Discharge*

*Statement of Lawrence Blais—Married—7 children*

Worked for International Nickel Company from 1937 to 1941. Left for three months, rehired in 1941, worked until March 29/43.

I have been employed as a stope boss since June 4/42. On Sunday, March 28/43, I worked, and left the stope in good order. But when I reported for work on Monday, March 29, 1943, I was handed a blue slip by the shift boss. It stated on the slip that I was fired for burying ten chute bricks and ten pieces of logging.

I feel that this is a frame up as I checked over the stope before I came off shift on Sunday and everything was in good order. I did not bury any equipment or violate any standard practice regulations.

Signed: LAWRENCE BLAIS  
Witness: DAVID DANIELSON  
Witness: GEORGE LUXTON

*Discharge**Statement of Pete Roznok—Witness of Lawrence Blais*

I have been working in the same stope as Lawrence Blais and I have been employed as a timberman. On Saturday, March 27, 1943, night shift, I was raising a chute and getting the stope ready for backfill. When I returned to work on Monday I found that no one had worked on the chute since I left. Things were in good order as I had left it, and none of the timber of equipment was buried or missing.

Signed: Pete Roznok

*Discharge**Statement of Valentine Legatz—345 Frood Road—*

*Married—Telephone 30071*

April 5, 1943.

Working in mines 12 years.

Was hired in Timmins by Inco and sent to Sudbury to work on November 11, 1942.

Started working at Creighton then transferred to Stobie Mine Shaft work, later transferred to Frood Mine.

On March 26, 1943, I was working on 1600 level in 32-5 stope. Stope boss (Louis Gorce) gave me orders to set up the machine and drill slash in the foot wall. Gorce helped me to set up the machine and he lined it up ready to drill. I turned on the air and water but when I attempted to start drilling I found that the water tube was blocked, then the water connection broke and I had to shut the water off. The stope boss Gorce then gave me orders to leave the machine set up as it was and start mucking. This I did. In about half an hour Joe Russell, Mine Captain, came into the stope and found a bootleg on foot wall near where the machine was lined up to start. He asked me why I set the machine up to drill there when there was a bootleg near where the hole was going to be drilled. I told him the stope boss gave me orders and helped me to set up the machine and I did not know that the bootleg was there. The Captain then told me to meet him after shift. I reported to the Captain's office after shift and Harry Smith, Underground Superintendent, was there with the Captain. The Captain gave his report to Harry Smith and he took me to the time Office and gave my slip to the timekeeper and never asked me any questions and did not give me a chance to explain my side of the case.

The next day when I went to the Mine Superintendent, Mr. O'Brien, I explained the case to him and he said he would see the shift boss and stope boss but told me I would be better to go back to the north where I came from. I was given "my time" and was fired. I am now working at Falconbridge Mine.

Signed: V. LEGATZ

Witness: PAUL KINGERSKEY

Witness: CHAS. McCURE

*Statement of L. English—Stobie Open Pit, 159 Pine St., Sudbury, Ontario*

Worked for Inco for 2-2½ years.

I am working at Stobie Open Pit on blasting crew.

On January 26th, 1943, C. Anderson, President of the company union, U.C.N.W., came to Mechanic shack at Stobie Open Pit and held up production



by talking company union to about thirty men for an hour. And he also went around to the churn-drills talking company union to the churn-drill operators.

This is a sworn statement.

Signed: LOUIS ENGLISH

Witness: CHAS. McCLURE

Witness: R. G. MINER

*Statement of W. F. Kennedy—276 Whittaker St., Sudbury, Ontario—*

*Phone 3180—Married—2 children*

Worked for Inco 13 years at Frood Mine.

Company union organizers have been frequently organizing on 2000 Level North travelling from one work place to another trying to induce the men to join the United Copper Nickel Workers. I have been approached by the Assistant Superintendent, H. Smith, the General Foreman, K. V. Lindell, the late Mine Superintendent, F. J. Eager and the present Mine Superintendent, A. E. O'Brien, urging me to join the U.C.N.W., and suggesting that I use my influence to get other workers to join the same organization.

When the U.C.N.W. started a campaign to organize one of the company union organizers, George Gowan, detained one hundred men for over an hour on 2,000 level north in Frood mine (where I work) trying to induce them to join the company union, U.C.N.W.

This is a sworn statement.

Signed: W. F. KENNEDY.

Witness: ALFRED C. PARCH.

Witness: RONELLENFITCH CARLF.

March 15, 1943.

### *Demotion*

*Statement of Alex Kaczmer—291 Kathleen Street*

*Married—3 children*

April 15, 1943.

Worked Frood Mine eight years.

Worked 24-5 pillar over one year. Nice, cool pillar. Was driller, timberman, all-around miner. Two men in pillar.

Now I have been sent into 39-5 pillar. Have to climb about 200 feet up and fifty feet down to get to workplace, and work all alone before lunch. It is a very hot pillar.

The pillar boss states that I must tram forty cars before lunch and after lunch retram and shovel as much as possible. I am doing only back-filling. It is only possible to tram about ten cars before lunch.

There are not many men wearing Union buttons on the job or on the bus to and from the job. I wear my Union button and that is the reason for the discrimination. I cannot stand the heat and strain and discrimination on the job and will have to quit this job.

Signed: ALEX KACZMER.

Witness: CHAS. McCLURE.

Witness: JOE SINDY.

*Demotion**Statement of David Oakleaf—53 John Street, Minnow Lake**Married—Telephone 31100*

April 5, 1943.

Worked for Inco 1928-1929 and 1931 to the present day.

I have been stope boss since 1933. I have worked in several stopes but I have always finished a stope when I was sent into it, then moved to another. I have been working in a stope on 1,600 level and have it in good shape to make bonus. About two months ago Mr. O'Brien, Mine Superintendent, came into the stope and told me that my stope was in very good shape. He called me away from the rest of the workers in the stope and asked me to go to see the boys in the company union and join up, as we would have to keep the C.I.O. out of this camp. I told him I could see the company union men anytime as I knew them well, but I did not commit myself in regards to joining any union. When O'Brien was leaving he advised me to get into the company union then get the rest of the men in my stope to join up. On Thursday, April 1, 1943, Mr. O'Brien came into the stope and inspected it while I was out to lunch. Before I went back to work after lunch the shift boss (Graham) told me that O'Brien had reported some timber to be straightened in my stope. After lunch I straightened the posts that were slightly out of line. On April 2, 1943, Harry Smith, Underground Superintendent, came into my stope and asked me why I did not straighten the posts. I told him that I did straighten them but he said "there is one under the fill raise that is crooked." I told him there was too much weight on this post and he said "If you can't straighten it I will get someone that can." On April 3, 1943, I received orders from Captain Bellmore that I would be moved to another stope. This was done and a company union man was put in my place. I was moved to his stope where there are a lot of posts that are not straight.

Signed: DAVID OAKLEAF.

Witness: NICK KACHUK.

*Demotion**Statement of William Kennedy—276 Whittaker Street, Sudbury, Ontario**Married—2 children*

April 5, 1943.

Worked Frood Mine 13 years.

I have been level boss on 2,000 level, south and north, Frood Mine, for the past four and one half years. On March 15th, G. Deschene, Mine Foreman, gave me seven days notice of demotion, as "work not satisfactory." As level boss I was directly responsible for tramming (pulling muck). Attached is a list of number of cars of ore pulled from chutes during my last fifteen days as level boss, and the record for the following eleven days under my successor, with some notes.

My successor was a steward in the U.C.N.W., company union, and had had no previous experience in that kind of work.

I was demoted to chute blaster and my rate cut from 77 cents to 71 cents per hour. My shift at that time was the strongest organized by the Union in the Frood Mine and I am a steward and chairman of the Union Shift Committee. The two previous chairmen had also been discriminated against. The attached

list shows that my work was satisfactory. These figures are from the Company records. This is a clear case of discrimination for Union membership and activities.

On Sunday, April 11th, the mine was not working and out of fifty chute blasters not working due to change of shift and available, I was called in to work which, if my work is not satisfactory, seems very strange.

Signed: W. Kennedy

Witness: C. Smith

Witness: Chas McClure

# RECORD OF CARS OF ORE PULLED FROM CHUTES ON 2,000 NORTH LEVEL FROOD MINE

Date	No. of cars of ore	Date	No. of cars of ore
March 1....	273	March 17....	156 (extra motor added and still in use to date)
2....	270		
3....	274		
4....	218 (motor broke)	18....	180
5....	277	19....	202
6....	279	20....	184
7....	240	21....	198
8....	254	22....	177
9....	271	23....	170
10....	248	24....	186
11....	234	25....	145
12....	201 (was off sick)	26....	162
13....	242 (was off sick)	27....	171
14....	Sunday (no work)		
15....	214		
16....	203 (my last shift)		

NOTE.—From 10th to 16th Deschene held back motors for two hours at start of each shift. (Have witnesses to this.)

*Statement of F. Thompson—172 Oak Street, Sudbury, Ontario*

*Member of Local 598, Sudbury Mine, Mill and Smelter Workers Union,*

*Works in Roadster Dept., Nickel Reverb. Copper Cliff Smelter*

Discrimination leading to loss of production.

After five years working in the Roaster Department of the Nickel Reverb at Copper Cliff Smelter of Inco, a man from the furnace department, P. Duffy, was moved up to the Roasting Department, and put on as a roaster helper ahead of me. P. Duffy was a Welfare Association and later a U.C.N.W. representative. He could not do the job and had to be helped by others. Two experienced roaster helpers quit because they realized that there was no seniority for them.

About January 20th, 1943, P. Duffy was given the job of roaster furnace man at 77 cents an hour and I was left as steady helper at 69 cents an hour. P. Duffy had only worked on one ("H") floor of the five roaster floors and does not know the job over which he has to oversee. I am experienced on all five floors. This has resulted in it being necessary to bring in an older experienced furnace man during breakdowns and has also resulted in many unnecessary delays because of his, P. Duffy's, lack of knowledge of what to do to prevent breakdowns and delays.

There are other experienced men with seniority capable of doing the job. This proves that there is no seniority in the Copper Cliff Smelter and that preference for company union men hurts nickel production.

This is a sworn statement.

Signed: J. Ford THOMPSON  
Victor LEEDS

Above circumstances declared correct:

Witness: P. LYNOTT

Witness: J. A. MASHAN



*Sudbury Workers Brief on Collective Bargaining—Presented at Toronto, March 16th, 1943, by elected delegates of Local 598, Sudbury Mine, Mill & Smelter Workers Union.*

**Introduction:** The needs of Sudbury workers were stated to the Ontario Government's Committee on Collective Bargaining which sat in the Legislative Buildings in Queen's Park, Toronto, on March 16th, 1943.

Several hundred delegates met on Sunday, March 15th, to discuss and revise the draft Local 598 had instructed its staff to prepare. These delegates were the Stewards of the Union, elected at regular membership meetings to present the case of Sudbury workers to the Government Committee. This Committee had been invited to come to Sudbury to obtain facts first hand.

However, the Government Committee informed us that they had made no arrangements to sit outside of Toronto, so the Stewards elected four of the members to go to the Committee sessions in Toronto and present the Brief and other documents, sworn statements backing up the facts in the Brief.

All of the four delegates were able to present personal cases of discrimination and loss of nickel production to the Committee. They were well received by the Committee, promised that the Brief and statement would be given careful study by the Committee.

None of these facts appeared in the *Sudbury Daily Star*, which devoted a great amount of space to a "Brief" presented by the Sudbury lawyer, Mr. E. C. Facer. Mr. Facer was accompanied by Mr. Tom Molland, company union president, and Alex Anderson of the company union. Though they went in on the same day as the Canadian Manufacturers' representatives, under their wing, perhaps, Mr. Facer had a difficult time trying to assume the role of a worker. The antics of his "partners" Molland and Anderson, and the contents of the Brief itself, provided some amusement to those listening to the proceedings.

The text of Local 598 Brief follows:

#### *Sudbury Workers Brief*

This is the Brief for submission to the Ontario Legislature's Select Committee on Collective Bargaining as drawn up March 14th, 1943, by the Stewards of Local 598, Sudbury Mine, Mill and Smelter Workers' Union from the various stopes and levels of the mines and the various departments of the smelters and refinery elected for this purpose and as instructed by the thousands of mine and smelter workers of the Sudbury Nickel district.

1. We wish to express appreciation of the fact that the Select Committee were able to arrange to hear our delegates on short notice. The tremendous task of securing the views of thousands of miners and smelter workers will be realized by the Select Committee, and until this was done, the time and form of presentation could not be arranged.

2. The miners and smelter workers welcome the fact that the Government of Ontario is aware, as the Minister of Labour, the Honourable Peter Heenan told the Canadian Congress of Labour Convention last September, that the chief cause of labour disputes is the refusal of employers to recognize bona fide unions and bargain collectively with them. We welcome the fact that the Government recognizes the necessity of labour legislation on collective bargaining to give industrial democracy to the workers of this Province.

#### *Importance of Industrial Harmony*

3. In presenting the case of nickel district workers, we wish to stress the importance of having industrial harmony in the vital nickel industry at this time. We wish to bring to the attention of this Committee the facts of the situation

in the nickel industry. In the establishing of a legitimate bona fide union with the aims and objects of bringing maximum production and reasonable working conditions we are faced with the vicious labour policy of a powerful corporation which has recently inspired the establishment of a company union known as the United Copper Nickel Workers.

It is the firm opinion of the workers of Sudbury district that proper collective bargaining legislation would be an asset to all industrial workers and the welfare of our country at this time. It would greatly facilitate the establishment of harmonious industrial relations and maximum production in the nickel industry.

#### *Source of Vital Nickel Supply*

4. It is well known that the Sudbury district is the main source of the United Nations nickel supply. This is vitally necessary for victory over the barbarous forces of fascism. Without this nickel our chances of defeating military fascism would be almost hopeless.

The Government of Canada is subsidizing the nickel companies to the extent of over twenty-five million dollars to increase production facilities. This alone does not guarantee increased production of nickel and copper. We intend to show that production could be greatly increased by industrial harmony and union-management production committees.

5. When we say that increased facilities do not guarantee increased production, it is not an idle statement. It has already been proven in many industries that absenteeism—caused by general unrest of the workers brought about by the anti-labour policies of many employers, has greatly hindered production. Killing the enthusiasm for maximum production by these same anti-labour policies prevents full use of such facilities.

#### *"Workmen's Council" Win Little*

6. It has been shown in previous briefs that in the great majority of cases, Workmen's Councils, as such, very seldom attain true benefits for the workers. Management naturally endeavours to leave the impression that the Workmen's Council is actually obtaining benefits for the workers. Consequently, it is the usual procedure to make some slight concessions to the workers:—All day suckers, designed to temporarily pacify the employees, new lockers, renovated dry rooms, free soap and at all times, a willingness TO LISTEN to the pleas of the Workmen's Council. As the management always has the deciding voice, the pleas are futile.

In the Falconbridge Mine's Workmen's Council Constitution, for instance, it states that in the event that a grievance cannot be settled by the Council and Superintendent "the matter shall be presented to the Manager for definite settlement." This is not conducive to a favourable settlement of a worker's grievance.

#### *The Anti-Labour Policy of Inco*

7. The word "company" in the rest of this brief refers to Inco—International Nickel Company, and "company union" refers to United Copper Nickel Workers.

8. The anti-labour policy of Inco as expressed through its tactics of fighting legitimate unions whether they be the Western Federation of Miners, A.F. of L., during the last war, the Metal Miners' Union of the Workers Unity League in 1928-29, or the International Union of Mine, Mill and Smelter Workers since 1936, is well known in the nickel district. Hundreds of company workers have been discharged for union or supposed union membership.

Present tactics of the company are the using of company bosses to try and build a "union" around the so-called "collective agreement" foisted on the workers through the channels of the Welfare Associations. The workers were never consulted on this, and the officers of these Welfare organizations were never authorized even by those rank and file workers in the Welfare Associations to negotiate any such "agreement", or to form the so-called union, the United Copper Nickel Workers. This so-called agreement was presented to the Central Committee of the Welfare Association in the office of the General-Manager of the company, Mr. MacAskill, and through the officers of the Central Committee to the officers of the various Welfare Associations at a special meeting in Inco's building in Sudbury! The workers first saw the so-called agreement when issued in printed form as being signed for "all production and maintenance employees of the Mining and Smelting Division and Copper Refining Division of the Company paid on an hourly or per day basis..." and without having had any part or word in the entire matter.

We have copies of minutes and sworn statements to this effect.

The U.C.N.W. have held meetings in and had the use of company halls and buildings.

It is openly admitted and proven by the minutes of the Refinery Welfare Association meeting on October 31st, 1942, that the proposal of a Central Committee of Welfare Associations was turned down by Mr. MacAskill two years ago, and the establishment by the company of the Central Committee and the so-called agreement at this time is designed to offset organization of a bona fide union by their employees.

9. Upon the setting up of this company union the company intensified its campaign of discrimination against members of the bona fide union in the nickel industry, Local 598, Sudbury Mine, Mill and Smelter Workers Union.

It is and has been using coercion, discrimination, demotion and discharge in its efforts to force workers into the company union, called the United Copper Nickel Workers (UCNW). The fact that such tactics have been applied, clearly shows that it is not the desire of the workers to belong to such an organization and that they have no faith in it, realizing that they cannot accomplish anything through it. We also have sworn statements of cases of coercion, discrimination and demotion to prove our statements.

#### *Cause Loss of Production*

10. In addition to company officials, mine captains, etc., there have been paid organizers allowed and encouraged to organize on company time throughout the mines and smelters.

We have sworn statements proving that as many as one hundred men have been kept from working for over one hour in the Frood Mine while a company union man attempted to persuade them to join the U.C.N.W. Instances of this nature have occurred many times throughout the mines and smelters of this company, holding up production.

To try and force workers into the company union, experienced miners have been replaced by inexperienced men and placed on jobs requiring less skill and experience, resulting not only in loss of income to the men demoted but also loss of production to the war effort.

Such tactics have been applied in the shops and smelters with the same results.

Coercion in the form of promising advancements and more pay to some workers if they will join the U.C.N.W., disregarding seniority, has also been used.



Being subject to these conditions has given the workers no incentive to increase production and has undermined the morale of many of the workers, naturally causing absenteeism.

### *The Power of Inco*

11. The workers efforts to organize have not only been opposed on the job, but the influence of the company extends throughout the community.

On February 24th, 1942, the office and furniture of our Union on Durham St. in Sudbury were smashed and the two union organizers were the victims of murderous storm-trooper raid by men whose time-cards were punched in at Inco's Frood Mine.

We have been denied the use of the radio and the local daily press has carried a vicious campaign of anti-union propaganda and refuses to print press releases or letters answering charges made. The union of workers, Local 598, is rapidly growing out of the needs of the workers even though suitable meeting places have been denied to us and in some cases contracts for such meeting places actually cancelled after being made.

A contract for use of a Sudbury theatre, signed by Local 598 and the Canadian Congress of Labour, and the Canadian office of Famous Players Corp. was cancelled on orders from the head office of Famous Players, after the meeting to be held in the theatre had been well advertised. This is a demonstration of the power and influence of the International Corporation, Inco.

Company unions and anti-labour tactics such as we have cited should not exist in Canada, and we believe that only in countries occupied by the fascist nazi powers are these things general.

12. We workers and citizens of Sudbury district do not approve of such practices and we are building our union to remove such conditions at home. At the same time we realize we must defeat such conditions abroad and that nickel must be produced to win the war.

### *Our Union Policy*

Our policies and aspirations are based on the perspective of:—

(a) achieving for the workers of Sudbury the economic and social security to which all workers are entitled and which thus far have been denied the miners and smelter workers here.

(b) Stepping up production of nickel and copper by proper union-management production councils, which have been found to work so successfully where workers are recognized as a partner in industry and are designed to attain maximum production in the various mines and smelters.

Proper union-management committees would enable the workers of Sudbury district, whose patriotism is unquestionable but whose hands are tied by the International Nickel Company, to make their much desired, maximum contribution towards the destruction of fascism and the successful conclusion of the global war.

### *Good Union Records*

International Nickel Company's Huntingdon, West Virginia plant, typifies the high standard of production to which Sudbury workers aspire. Through their union-management production council they have increased and continue to increase production, winning the highest efficiency awards with the exception of the C.I.O. flag, including the Navy "E" flag and the Army-Navy "E" flag and several stars to these as well as the U.S. Treasury "T" Award.

Such achievements could be made in Sudbury if the workers were guaranteed the same rights of collective bargaining as the workers in the United States, where under the protection of the Wagner Act, the workers in the Huntington plant, organized in a C.I.O. union, have won from the International Nickel Company a Union contract embodying such clauses as "There shall be no discrimination, interference, restraint or coercion by the company or any of its agents against any employees or applicants for work because of membership in the Union." "...in the interests of harmonious relations the Company recognizes that responsible union leadership is of value in employee-employer relations and recommends that those employees who are now or who may become union members continue their membership....."

13. The work that the International Union of Mine, Mill and Smelter Workers has done in increasing production in the United States, and are trying to do in Canada, is recognized in the following tribute of Mr. Wendell Lund, Director, Labour Division, U.S. War Production Board.

"In this great struggle for total victory, your union is in the vanguard. You have not and will not let freedom down. There is laid upon government and management an equal responsibility to rise to your challenge and your example. There is no union in America that has co-operated more patriotically in the war effort than the International Union of Mine, Mill and Smelter Workers.

"There is no union in America that has a more constructive approach to working with our labour production division of the War Production Board than your organization.

"You have been highly intelligent, energetic, and instead of waiting for us to come to you to solicit co-operation and assistance, you have come to us offering everything you have—manpower, production ideas, intimate knowledge of your industry. You have offered your country everything you have to give.

"Let me say here and now that no labour organization in the country has shown greater patriotism and devotion to the cause for which we are fighting than your union.

"Let me say too that I am completely aware of the fact that the Mine, Mill and Smelter Workers couldn't make the kind of record it is making without some of the most intelligent leadership in the country."

The above quotation, which can be supplemented by that of other leading U.S. Government officials, including President Roosevelt, praising the role of our union, leaves no room for talk of "International Union gangsters" and other malicious slander and propaganda about International unions and their representatives.

14. We regret that this Government Committee have not had the privilege of coming to Sudbury and establishing contact with the masses of the rank and file workers whom we represent.

#### *Correct Labour Legislation Necessary*

15. We believe that it is vitally necessary for the welfare of the workers of Sudbury and the people of Ontario, of Canada, that the Labour Legislation which it is your task to consider should include the following proposals:—

(a) Provision of effective machinery for the democratic determination, by vote, with secret ballot if necessary, of the bargaining agency desired by the workers immediately affected in any department, plant or industry. The choice of over 50 per cent of the workers immediately affected and voting, shall be considered the choice of the majority of the employees concerned.

(b) That it shall be an offence under the proposed legislation for an employer or his agent directly or indirectly to sponsor, support, finance, dominate, or exert any influence whatsoever upon any group, association or organization of his employees established for the purpose of negotiating a collective agreement or carrying on the legitimate functions of a labour union.

(c) That any arbitration proceedings provided for under the proposed legislation shall commence within five days of the application therefor, and be concluded within thirty days from the date of the first meeting of the arbitration board.

(d) That it shall be an offence under the proposed legislation for an employer or his agent, directly or indirectly, to refuse to employ any person of union membership, or to discriminate against, coerce or intimidate any of his employees in the effect to prevent them joining a union, or carrying on activities for or on behalf of a union, or to interfere in any manner whatever with the right to join the union of their choice.

(e) That where a majority of employees covered by a collective agreement individually authorize their employer to deduct union dues or assessments from their wages, such authorization shall be acted upon by the employer.

(f) That it shall be an offence for an employer to refuse to bargain collectively with the authorized representatives of the union of the workers choice as determined in accordance with the appropriate clause of the proposed legislation.

(g) That penalties shall be provided in the proposed legislation, sufficient to be effective, to apply to any employer who is guilty of any offence as defined therein.

(h) That in the proposed legislation the definition of the term "employee" shall include workers who have not severed their employment, such as workers who are on strike, or have been discriminated against by employers, etc.

(i) That the provision of a Union shop or maintenance of membership clause in any collective agreement as a condition of employment shall not be deemed to be coercion of the employees within the meaning of the proposed legislation.

We endorse the proposed Bill drafted and submitted by the Trades and Labour Congress of Canada and our central Labour body, the Canadian Congress of Labour.

We also urge that this Government Committee consult the officers of these bona fide labour bodies when the Committee has a draft of the proposed Bill ready.

All of which we submit to you and urge in the name of thousands of miners, smelter and refinery workers of the Sudbury Nickel District be given earnest consideration by the Committee in its deliberations, and its recommendations to the Ontario Legislature.

*Submitted by the Delegates elected by the Stewards of Local 598, Sudbury Mine, Mill and Smelter Workers Union, International Union of Mine, Mill and Smelter Workers. March 16, 1943.*



## APPENDIX C

*Port Colborne*

Presumably to foster a spirit of sympathetic cooperation between employee and employer the management of the I.N.C.O. suggested to a chosen, hand-picked group of their employees that a Welfare Association be formed. Addressing the twelve picked men at the initial meeting H. W. Walter, Plant Superintendent, told them that there was no reason why such an organization could not get for its membership anything that an organization like the C.I.O. could. Abuses were sometimes perpetrated in the plant that were unknown to management he said and a Welfare Association could help management control these. All other grievances could be ironed out over a conference table in a sort of family circle attitude without interference from outsiders who had no employment or direct interest in the nickel industry.

Set up to adjust grievances the Welfare Association was swamped with cases so the Board decided to review the whole situation and place before the management in the form of a Brief what the Board considered was the cause of the grievances and the cure. Root cause the Board felt was that those things that have been recognized as fair labour practices were not recognized in some form be introduced.

*Reforms asked for were:*

Recognition of seniority.

Classification of jobs.

Payment of time and one half for all statutory holidays (Christmas and New Years were only two so recognized); week's holidays with pay had been instituted with formation of Welfare; extended holidays with pay was asked for as recognition of extended service. Time and one half for overtime.

Suggestions were given for concrete system of hiring and firing in case of lay-offs due to curtailment in production.

Presentation of all these grievances led the management to bluster and tell the Board that they were going outside their province and that the brief was written in an antagonistic attitude and that the management would not discuss it as a brief or as the representations from the men in the plant. With that he stormed out of the room and left a dumb-founded Welfare Board of Directors looking at each other.

From that date forward interest by the members of the Welfare in their Association steadily and speedily declined until at the general annual meeting of 1941 there was an attendance of five members and thirteen of the elected Board members out of fifteen. Difficulty was found in getting men to act as representatives even with pay, as there was no faith anywhere in the ability of the Welfare to improve the position of the workers. At that meeting a motion was unanimously carried that time and one half be again asked for overtime. When this representation was made to the management by the President, he was told that this was only a request from eighteen men and not from the employees as a whole and that the I.N.C.O. had no intention of meeting such a request.

To have proper representation the employees decided in 1942 to form a union and affiliate with the C.C.L. The majority of the employees joined within a few weeks. Management then had a change of heart towards the Welfare Board, called them to a special meeting and told them they were

willing to increase the scope of the Welfare Board and make them the bargaining agency for the employees in the plant for the duration of the war. An agreement prepared by the management was presented for their signature.

No meeting of the employees was called to discuss the terms of the agreement and the Board made no contributions contrary to the constitution of the Welfare Association, the directors signed the agreement binding employees to this agreement without change for a period of six months. Copies of agreement were printed and placed with each man's time card and that was that.

Sympathetic co-operation and friendly settlement of disputes is achieved thus only if men are willing to act as serfs. Local 637, I.U.M.M. & S.W., the union of the men's choice wrote asking for a meeting with the management of I.N.C.O. asking them to bargain collectively with them. The management replying stated that they had already signed an agreement with their employees and forwarded a copy of agreement entered into by their own method of computation with seventeen men. Such an attitude has in it the seeds of industrial strife and the officers of the union will have difficulty in controlling the resentful sentiments of the membership from developing into immediate action for democratic rights.

J. SHEDDEN,

*Rec. Secy. Local 637,  
Ex. Welfare Board Director,  
Port Colborne, Ontario,  
May 10, 1943.*

Sample of Registration Form signed by all but seventeen members of the Port Colborne, I.N.C.O., Welfare Association.

I, the undersigned, resign from the I.N.C.O. Welfare Association, and wish my name to be taken from the Membership Rolls.

Name. . . . .

Employment No. . . . .

. . . . .

Mr. R. L. BEATTIE (International Nickel Company of Canada, Limited): Mr. Chairman and members of the Board, the brief that we have brought for presentation this afternoon has been given a great deal of careful study and thought, and we hope may prove to be of some help to the Board. The brief has been prepared by officials of the company in close collaboration with our counsel, Mr. Delamere. With your permission I will ask Mr. Delamere to read the brief as prepared.

The CHAIRMAN: Yes, Mr. Delamere.

Mr. DELAMERE: Mr. Chairman and members of the National War Labour Board:—

This brief is submitted by the International Nickel Company of Canada, Limited in the desire to assist the Board in making its report and recommendations.

It was indicated in your opening remarks that the matters to be inquired into and reported upon by this Board, with constructive recommendations, fall into two main categories. First, labour relations, having regard to the principles set out in P.C. 2685, and second, wages, cost of living bonus and associated questions, having regard to the provisions of the Wartime Wages Control Order.

### 1. *Labour Relations*

The role which Canada has undertaken to fulfill in this war as one of the United Nations, requires uninterrupted production of goods and materials for our Allies and our own forces. This is impossible without harmonious labour relations. At the present time a feeling of distrust appears to exist in many cases between employers on one side and employees and labour organizations on the other.

Mr. COHEN: That is almost an understatement.

Mr. DELAMERE: I suppose so.

Both employers and organized labour are fearful of abuses of power by the other. It is submitted that this is the direct result of the lack of definition of basic standards of conduct to be required of each. Even where efforts have been made to establish standards, they have been hampered in their effect by lack of speedy and effective machinery for their enforcement. As long as any party in labour relations, because of inadequate definition or enforcement of basic standards of conduct, remains free from the same character of responsibility which it demands of others, it will inevitably be the subject of suspicion and resistance, and strife in labour relations will prevail. In the opinion of the company the immediate and pressing objective should therefore be to remove these causes of mutual fear and distrust.

Due largely to wartime conditions, industrial development in Canada has been extremely rapid. With this start the country has an opportunity to continue after this war to provide adequate employment for its citizens. The responsibility of all of us, second only in importance to war production, is to plan now to maintain production and employment after the war. Any steps effective to reduce present distrust will also minimize the possibility of discord and strife in labour relations when this war is over. Failing such steps, the capacity of industry to function after this war may be seriously impaired with consequent unemployment and disruption of the country's economy.

In the opinion of the company the legislative enactments in effect in the Dominion are unfitted to deal adequately with the situation. This is perhaps due largely to the division of legislative jurisdiction. It is therefore very desirable that an order in council having uniform force throughout Canada should be passed promptly under the War Measures Act to deal with the subject of labour relations.

Experience shows that such attempts as have been made to allay distrust in labour relations have failed to establish standards of conduct fair to all concerned. There have been legislative attempts here and elsewhere, particularly in the United States, to govern conduct in labour relations, but their inadequacy is all too apparent from the record of discord and strife experienced under such legislation. The opportunity which the Dominion of Canada now has to frame fair, sound and adequate legislation, is great. Fortunately we can profit from the experience of others, avoid their mistakes and at the same time develop a comprehensive and lasting program of our own.

The rather detailed suggestions which are made later in this brief are intended to fit into a complete program for the conduct of labour relations. Any such program should be based upon the recognition of certain fundamentals, namely:

(1) That the public has an interest concurrent with the interests of employees and employers in the achievement and maintenance of peaceful and harmonious labour relations.

(2) That discord and strife in labour relations are uneconomic and injurious to all parties in time of peace and are intolerable in time of war.



(3) That in the field of labour relations certain rights and responsibilities of both employees and employers should be recognized, defined and enforced, and that legislation on the subject should be democratic and mutually responsive to the needs and rights of the public, employees and employers alike. Of major importance among these are:—

- the right of employees to organize and to bargain collectively through representatives of their own free choosing;
- the right of employers to exercise effectively the functions of management;
- the right of both employees and employers to require responsibility and fair conduct on the part of the other;
- the right of employees to require responsibility and fair conduct on the part of other employees;
- the right of both employees and employers to the same freedom of speech and expression of opinion in their labour relations as in other matters; and
- the right of both employees and employers to have recourse to an impartial judicial body to enforce their respective rights.

Any such order in council should be designed to preserve these fundamentals. It should establish a code of fair standards of conduct for employer, employees and labour organizations. It should also set up a tribunal whose primary function should be to ensure the observance of the standards of conduct so established. The very keystone of any such order dealing with these matters is that the tribunal established should have the confidence of everyone, should be of the highest possible character, free from any suspicion of political or other influence, and completely impartial. For these reasons and because the suggested functions of the tribunal are essentially judicial in character, the members of the tribunal should be chosen from the existing judiciary. The establishment of such a Labour Court is an inseverable part of the proposals presented.

The following is respectfully submitted in the belief that it affords a practical means for the accomplishment of the desired objectives.

It will be noted that nothing is suggested on the controversial issue of whether it is proper to require membership in a labour organization as a condition of employment. The company nevertheless wishes to record its very definite conviction and policy that an employer should not be denied his right to hire or retain any employee whether or not that employee belongs to a labour organization, and that the right of any individual to accept or remain in employment should not be dependent upon membership in any labour organization.

In order to understand clearly the following suggestions, it is important that certain terms should have very definite interpretation. In consequence the terms, "employee," "labour organization," "collective bargaining unit," "collective bargaining agency," "to bargain collectively" and "lockout" are specifically defined on pages 12 and 13 of this brief.

At this point I should like to point out the definition of "labour organization" as given on page 13, paragraph 2—

"Labour organization" should be defined as meaning: any association of more than twenty-five employees having directly or indirectly as one of its objects collective bargaining.

#### *Standards for Employers*

Proper standards of conduct for employers would be established if provision were made that it shall be an unfair labour practice for an employer, individually or in concert with others or through any agency,—

(1) To prevent or interfere with, by force, threats, coercion, restraint or intimidation, the enjoyment by his employees of their rights to form, join or assist labour organizations or to bargain collectively through representatives of their own free choosing.

(2) To contribute financial support to any labour organization, provided that an employer may, if he so desires, reimburse employees at their prevailing wage rates for time spent conferring with him.

(3) To discourage membership in any labour organization by discrimination in regard to hiring, tenure or other terms or conditions of employment.

(4) To effect a lockout unless at least \*.....days before such lockout becomes effective notice in writing of intention so to do shall have been posted up in a conspicuous place in or about the place of employment at which the employees to be affected thereby are normally employed.

(5) To refuse to bargain collectively with the duly certified collective bargaining agency of his employees in any collective bargaining unit, provided however that where an employer applies to the court for certification or determination of the collective bargaining agency or unit, he shall not be deemed to have refused to bargain collectively until such certification or determination shall have been made.

(6) To discharge or otherwise discriminate against an employee because he has initiated or participated in any proceeding under this legislation.

(7) To be an accessory to the commission of any of the foregoing unfair labour practices.

#### *Standards for Employees*

Proper standards of conduct for employees and labour organizations would be established if provision were made that it shall be an unfair labour practice for an employee and/or any labour organization either alone or in concert with others or through an agency,—

(1) To prevent or interfere with, by force, threats, coercion, restraint or intimidation, an employee's enjoyment of his legal rights, or to intimidate his family or any member thereof, picket his domicile or injure or threaten to injure the person or property of such employee or of his family or any member thereof.

Mr. COHEN: Do you mean to restrain picketing?

Mr. DELAMERE: Provided the employee uses his legal rights and nothing more, no; but I suggest that anything of the kind indicated should be prohibited.

(2) To strike, unless a majority in the collective bargaining unit involved, shall have voted by secret ballot to call such strike at a referendum conducted by the Court, or if no such collective bargaining unit shall have been determined by the Court, unless a majority of the employees in the plant or plants of the employer to be affected by such strike, shall have voted by secret ballot to call such strike at a referendum conducted by the Court. The Court shall conduct such referendum under such conditions and within such time as is hereinafter prescribed.

(3) To take, retain or remain in unauthorized possession or occupation of lands or premises of an employer or any part thereof, or to engage in any "slow-down" or "sit-down" or other effort to interfere with production, except by leaving said lands and premises in an orderly manner for the purpose of going on strike.

\* The number of days should be the same presumably as that within which the Court shall conduct a strike referendum. See p. 590.

(4) To prevent or interfere with, by force, threats, coercion, restraint or intimidation, the pursuit of any lawful work or employment, or to obstruct or interfere with the entrance to or egress from any place of employment, or with free and uninterrupted use of public roads, streets, highways, waterways, railways, airports, or other ways of travel or conveyance.

(5) To prevent or interfere with, by force, threats, coercion, restraint or intimidation, the obtaining, use or disposition of materials, equipment or services.

(6) To be an accessory to the commission of any of the foregoing unfair labour practices.

### *Constitutional of Labour Court*

It is recommended that there should be established a Labour Court for the Dominion of Canada consisting of three judges chosen by the Governor General from the judges of the Superior Courts in the various provinces in the Dominion.

Mr. LALANDE: I presume you mean the Governor General in Council?

Mr. DELAMERE: Yes, the Governor General in Council.

This Court should sit at the city of Ottawa and elsewhere throughout the Dominion of Canada as the Court may from time to time decide.

As the volume and distribution of business which might come before the Court cannot be accurately anticipated, provision should be made in such order for the appointment of additional Superior Court judges to sit as regional judges at such times and places as the business of the Court might require.

The CHAIRMAN: Are you talking now about a war job or a continuing one?

Mr. DELAMERE: This is intended as a continuing job. I realize there might be an objection. We attempt to deal with that later in the brief.

Mr. COHEN: On page 4 you propose an order in council for dealing with all these things under the War Measures Act.

Mr. DELAMERE: That would be temporary only. We deal with that later in the brief.

Provision for appeal from the decision of a regional judge to the Labour Court should be made. The Court should be entitled to make such rules and regulations as it may find necessary and proper for the conduct of matters coming before it. To the extent that the work of the Court is administrative, in the holding of referendums or in any other respects, provision should be made for the appointment by the Court of administrative officers to perform such administrative duties under the direction and supervision of the Court. The order should make it clear, however, that the major function of the Court is of a judicial nature, namely to hear matters which are instituted and presented to it by employers, employees or their representatives and to make a judicial determination of those matters. The order should also make it clear that the Court has no authority to make or force any agreement for or upon the parties on any of the subjects of collective bargaining but that, as in any commercial negotiation, it is for each party to decide whether it is or is not prepared to accept any proposal of the other part.

Mr. COHEN: The next section deals with definition. Do you think that could be put in the record and not read now?



Mr. DELAMERE: There are one or two matters dealing with items that might be of particular interest. One is the reinstatement of employees.

Mr. COHEN: In that last paragraph you have something which I do not understand. I suppose by that you mean the Court should not make the bargain. I can conceive of questions arising in respect to which the parties have different ideas.

Mr. DELAMERE: We try to deal with that later in the brief.

### *Functions and Powers of Labour Court*

(1) *Enforcement of Standards.* Upon application to the Court by any interested person, the Court shall determine whether any employer, employee or labour organization, has engaged in any unfair labour practice, and if so, shall impose such fine, not exceeding in the case of any employer the sum of \$....., in the case of any labour organization the sum of \$....., and in the case of any employee the sum of \$..... as in the opinion of the Court may seem proper, and/or order such employer, labour organization or employee, to cease and desist from engaging in such practice and/or make such mandatory order as in the opinion of the Court may seem proper. The Court shall, however, have no power to require a collective bargaining agency or an employer to reach agreement in any negotiations.

Should the discharge from employment of any person be found to have been an unfair labour practice on the part of his employer, the Court may direct the reinstatement of such person and the payment to such person of an amount not exceeding the loss in pay which he may have suffered by reason of such discharge, and may order that the name of such person be included among those entitled to vote on any referendum.

That is intended to mean the net loss.

No application to the Court by any person to determine whether an employer, employee or labour organization has engaged in any unfair labour practice, shall be made after a period of six months shall have elapsed from the date on which it is alleged to have occurred, but such limitation shall not apply to any unfair labour practice involving an act of violence or injury to any person or property.

(2) *Certification of Units and Collective Bargaining Agencies.* Upon application to the Court by any employer or labour organization with regard to certification of a labour organization as the collective bargaining agency for a unit of employees, the Court shall,—

(a) Ascertain what unit of employees is appropriate for the purposes of collective bargaining and determine whether such unit shall be the employer unit, craft unit, plant unit or a subdivision thereof or a combination of any thereof, provided however that no such unit shall, without the consent of the employers involved, embrace employees other than those of one employer.

(b) At the request of any interested person, determine whether any labour organization is, at the time of such application, controlled by the employer of the employees included in such collective bargaining unit, in such a way as to deny such employees their right to organize and bargain collectively through representatives of their own free choosing, and if so determined, order that the name of such labour organization shall not appear upon the ballot to be used in the referendum to determine whether or not any labour organization represents a majority of such employees. No labour organization

shall be deemed to be so controlled by the employer by reason only that the employer may have freely expressed, declared and published his views and proposals, and that the employer may have assisted in creating such labour organization and in the past contributed to its support.

Mr. COHEN: With reference to the expression "at the time of such application," suppose you have a situation where the union is controlled or influenced by the employer up to a given date, and then that influence is removed; do you suggest that automatically that unit becomes entitled to rank as the legitimate representative of the workers involved?

Mr. DELAMERE: If the court finds that the union at the time of the application being made was not controlled or influenced. It should not matter what that organization had been in the past; if that condition no longer exists it is no longer a fact, and whether it should be considered is in the discretion of the court.

Mr. COHEN: All you ask the court to determine is whether at the time of the application the labour organization is controlled by the employer. It may have been controlled by the employer up to the day before?

Mr. DELAMERE: I suggest that it should decide.

Mr. COHEN: You put it in the negative—not controlled by the employer at the time of the application. It would be easy for the employer to form such an organization, find out that it was welcome, and then say "you are on your own"?

Mr. DELAMERE: Yes.

Mr. COHEN: Then do you say that represents the employees?

Mr. DELAMERE: Yes, if it were so determined by a secret ballot that it was the union of their choice, and if it was not at that time controlled. There is no reason why the employees should not have the right to make their free choice.

Mr. COHEN: The matter has been dealt with by the National Labour Relation Board in the United States.

Mr. DELAMERE: Yes. That is the reason for this suggestion. There was a case where the union was actually chosen by the employees, and it was found also that the union had done an extremely good job for the employees, but in view of the wording of the Act they were compelled, even over the vote of the employees, to stop them from acting. There is no reason why the employees should not choose their own representation, and when they have done so it should not be thrown out because of some condition that no longer exists.

Mr. COHEN: Except the fruits thereof?

Mr. DELAMERE: I suggest even the fruits thereof are no longer existing, because it is no longer so controlled, and after all this is the only time that it is pertinent.

(c) At the request of any interested person, determine whether any labour organization has engaged in any unfair labour practice involving acts of violence or injury to any person or property, and if so, determine whether such labour organization by reason thereof is unfit to serve as a collective bargaining agency and should therefore be denied the privilege of having its name included on the ballot to determine such collective bargaining agency.

Mr. COHEN: There is a very clear instance of divergence in thinking with respect to your company union. You suggest that nothing in its past history is to have any influence on its right to operate as a legitimate labour organization.

Mr. DELAMERE: On the same basis as a reformed criminal, I would suggest; he is given a chance by society to reform.

Mr. COHEN: Let us get away from fanciful metaphors, if you do not mind. Subsection (c) reads, "At the request of any interested person, determine whether any labour organization has engaged in any unfair labour practice . . ." That refers to something that has occurred?

Mr. DELAMERE: Yes.

Mr. COHEN: After that is determined, you go on to suggest that such labour organization is to be removed from the ballot?

Mr. DELAMERE: I say that the court should exercise its discretion.

Mr. COHEN: I am calling your attention to the fact when you come to deal with company unions you have an explicit directive to the court in the last sentence of paragraph (b). The Labour Court is not to take into account the fact that the employer may have declared and published his views and proposals. That is all wiped out as past history. Then you come to the next section and say that nothing in the past history of the labour organization shall bar its right to rank as an eligible entity in the vote.

Mr. DELAMERE: Only such unfair labour practices as have involved acts of violence or injury to person or property.

Mr. LALANDE: And even then it is in the discretion of the court?

Mr. DELAMERE: Yes.

Mr. LALANDE: It is not mandatory?

Mr. DELAMERE: No, it is not mandatory.

Mr. COHEN: All the previous history of your company union is wiped out?

Mr. DELAMERE: Only to the extent that we say what has gone before and no longer exists in certain defined matters shall not be considered.

(d) Conduct a referendum by secret ballot of employees in a collective bargaining unit to determine whether or not any labour organization represents a majority of employees in such collective bargaining unit and, in this connection, prescribe the form of ballot to be used and the names of the labour organizations to be included thereon. Every such ballot shall permit of a vote in favour of no representation by any labour organization.

(e) In an appropriate case, certify that a majority of the employees in the collective bargaining unit have cast ballots in favour of representation of such collective bargaining unit by a specified labour organization and therefore that such labour organization is the collective bargaining agency for such unit.

(f) In an appropriate case, certify the names of the persons who have been duly appointed or elected representatives of such collective bargaining agency for the purpose of negotiating a collective bargaining agreement.

The Court shall not alter or revoke any certification of a collective bargaining agency before the expiration of one year from the date of such certification unless fraud shall have affected the making thereof.

I think that may answer your question, Mr. Cohen. This may come up every year.

(3) *Certification of Strike Votes.* The Court shall, at the request of a collective bargaining agency, or if no collective bargaining agency shall have been certified, at the request of an incorporated labour organization, which in the opinion of the Court represents the employees desiring to strike or at the request of any person who in the opinion of the Court represents any substantial group of employees desiring to strike, and within\* . . . . days after being so requested, conduct a referendum

\* The number of days should be the same presumably as that governing the giving of notice of an intended lockout. See page 586.



by secret ballot of the employees in the collective bargaining unit involved or, if no collective bargaining unit shall have been determined, by secret ballot of the employees in the plant or plants of the employer to be affected by such strike, to determine whether the majority of the employees, entitled to vote on such referendum, desire to strike. The Court shall certify to and record the result of such referendum.

Mr. LALANDE: I notice in that paragraph you use for the first time the expression "incorporated labour organization."

Mr. DELAMERE: Yes.

Mr. LALANDE: Do you explain that?

Mr. DELAMERE: Yes, that comes later in the brief where we suggest incorporation.

(4) *Jurisdiction Over Collective Bargaining Agreements.* The Court shall have exclusive jurisdiction over any legal proceeding arising out of any collective bargaining agreement.

(5) *General.* The Court shall make such orders, cause such inquiries to be made, acts or things to be done and proceedings to be had, as may be necessary or proper for the carrying out of its functions, and for these purposes shall have all the powers of a provincial Superior Court

Mr. COHEN: I notice that on page 5, clause 4, you provide the right to lockout?

Mr. DELAMERE: Yes.

Mr. COHEN: But when you come to deal with the right to strike you give that right only to a collective bargaining agency, or a union which is incorporated.

Mr. DELAMERE: I give the right to no union. I give it to the employees, to the bargaining agency, incorporated union or any person who in the opinion of the Court represents a substantial group of employees requiring the strike.

Mr. COHEN: You have gone to a lot of trouble.

Mr. DELAMERE: We have tried to cover the matter.

### *Responsible Labour Organizations*

Every labour organization should be required to incorporate under the provisions of Part II of The Companies Act (Canada) and, upon doing so, should not be deemed to be unlawful by reason only that one or more of its objects are in restraint of trade. The name of any labour organization which shall not have complied with this provision shall not be placed on any ballot for use in a referendum to determine whether or not it represents a majority of employees in a collective bargaining unit. Special provision should be made for reduction in incorporation fees. Every such labour organization should be required to elect directors by ballot at each annual meeting thereof, to have its books audited annually by independent auditors, and its directors should be required to lay before each annual meeting a balance sheet and statement of income and expenditure similar to those mentioned in sections 112 and 113 of The Companies Act (Canada).

Mr. COHEN: Suppose the labour organization does not want to have directors, but wants to have executive board members. Why do you adopt the terminology of The Companies Act?

Mr. DELAMERE: I suggest you will find many organizations incorporated under The Companies Act which do not call the directors by that name.

Mr. LALANDE: Shareholders are called members?

Mr. DELAMERE: Yes. You are members of a corporation, that is all.

Mr. LALANDE: That is the part dealing with non-profit organizations?

Mr. DELAMERE: Yes, non-profit, and no share capital.

The directors should also be required to forward a copy of such balance sheet and statement of income and expenditure, together with the auditors' report, to each member of such labour organization and to file a copy thereof with the Secretary of State, together with proof of the forwarding of such copies, in a manner similar to that required by section 117 of The Companies Act (Canada).

#### *Other Important Provisions*

For the protection of the rights of both employees and employers, the order in council should declare that the right of both employee and employer freely to express, declare and publish their respective views and proposals concerning any labour relationship, the common or separate interests of employees and employers, or other matters, should not be abrogated or limited nor should the exercise of such rights constitute an unfair labour practice.

The order in council should provide that no collective bargaining agreement shall have effect to limit the right of an individual employee to take up grievances directly with his employer.

It is submitted that it would be undesirable for the order in council to unsettle established labour relations by rendering invalid or modifying existing collective bargaining agreements. Therefore any such legislation should contain a provision that nothing therein should operate, for the period of the duration of such agreement or one year after the effective date of the legislation, whichever is the shorter, to abrogate, annul or modify any agreement respecting labour relations which was valid at the date of its making.

Mr. COHEN: What if the agreement is with an entity which would not qualify within some of the standards of your earlier statement?

Mr. DELAMERE: I suggest it would not be in the public interest to wipe out every agreement. We have been careful to limit the time they should carry on, for the term of the agreement which is in existence, or for a year, whichever is the shorter. It is not in the public interest to cancel every agreement, except in a gradual manner; therefore we suggest this legislation should be brought into effect without disturbing labour relations.

Mr. COHEN: It has been suggested in some of the other statements placed before us that your company has an agreement running for the period of the war and one year after, with an entity which is alleged to be one that would not qualify under the standards you have indicated in your document. I am not saying that that statement is well based, but assume it to be the case; your proposition here would result in this, that if in fact your company may be in agreement to-day with the company union, that should not be interfered with until after the war is over?

Mr. DELAMERE: No, or for the period of one year, whichever is the lesser.

Mr. COHEN: Assuming that your agreement with the entity referred to would conflict with the standards set up by you on page 5 of your brief, and which you are going to solemnly enact as an order in council; you suggest that that agreement, which would not qualify, should remain intact?

Mr. DELAMERE: Yes, I do, in the public interest.

Mr. COHEN: Why?

Mr. DELAMERE: Because if all these company unions suddenly became inoperative on the passing of an order in council it would throw the whole system of labour relations into a turmoil. Would that be in the public interest? We say it would not.

Mr. COHEN: But there is public turmoil at the moment, at least at Sudbury. How are you going to get rid of that? Your suggestion is that the order in council setting up standards should ignore those standards for a period of one year. How will that eliminate turmoil?

Mr. DELAMERE: In a very minor manner. We do not ignore all these standards. We may ignore one, if you choose to put it that way.

The CHAIRMAN: It has been emphatically put by more than one organization representing industry that all agreements during the war, which are to operate for more than one year, should be wiped out automatically. I think I am putting it correctly.

Mr. LALANDE: I think the Montreal Board of Trade made the suggestion that collective agreements should not extend beyond one year.

The CHAIRMAN: I believe the Chamber of Commerce and the Montreal Board of Trade put that proposition.

Mr. DELAMERE: We come very close to that in our suggestion. At the end of a year there is nothing to prevent anyone from having a vote.

Mr. COHEN: At the end of another year?

Mr. DELAMERE: Yes. We realize that agreements cannot be made years long. Times have changed.

Mr. COHEN: I suppose the bona fides of the organization would enter into the question of the validity of that agreement?

Mr. DELAMERE: I think it is fair to say that no agreement was entered into with a minority group. We were under the impression that at that time the group represented the majority of the employees. Under this legislation it would be an easy matter to determine, but we suggest it would not be in the public interest to have an immediate termination of all agreements. If the Montreal Board of Trade suggested that—

The CHAIRMAN: They said long term agreements were bad and should not be permitted.

Mr. DELAMERE: We have this idea of one year. I should be overjoyed to expect the war to be over in a year. It is an attempt to get maximum production.

Mr. LALANDE: Your statement is that no agreement is to be effective for more than one year unless notice of renewal is given?

Mr. DELAMERE: Yes.

Mr. LALANDE: You are approaching it from the point of view of the introduction of new legislation?

Mr. DELAMERE: There was no standard set up at the time. I do not think it would be considered bad practice on the part of the company to try to make it easy to agree with its employees for the duration of the war.

### *Definitions*

It is important, in any legislation, that great care should be taken to define the terms used. For example, in referring to the above suggestions it is important that the following definitions should apply:—

(1) "Employee" should be defined as meaning:—Any person in the employment of an employer except (i) an officer or official of an employer, including such officials as plant guards, watchmen and timekeepers, and



(ii) a person acting on behalf of the employer in a supervisory or confidential capacity or in a position of special trust or having authority to employ, discharge or discipline employees.

Mr. LALANDE: There was a submission made here on behalf of the chemists, engineers and architects. They do not want to be "forcibly" included in a collective agreement.

Mr. DELAMERE: That provision is mentioned on page 13, first paragraph.

It is apparent that the definition should also exclude certain specified persons engaged in occupations or industries and specified public employees to which the provisions of the order would not be reasonably applicable.

Mr. COHEN: Engineers are not excluded from the Ontario Act.

Mr. DELAMERE (Reading):

(2) "Labour organization" should be defined as meaning:—any association of more than twenty-five employees having directly or indirectly as one of its objects collective bargaining.

(3) "Collective bargaining unit" should be defined as meaning:—the unit of employees ascertained by the Court as appropriate for the purposes of collective bargaining.

(4) "Collective bargaining agency" should be defined as meaning:—any labour organization which shall have been certified by the Court as the collective bargaining agency for a collective bargaining unit.

(5) "To bargain collectively" should be defined as meaning:—to negotiate in good faith with a view to the conclusion of a collective bargaining agreement on wages, hours or other working conditions.

(6) "Lockout" should be defined as meaning:—the closing of a place of employment when resorted to by an employer as a weapon against his employees to compel them to accept terms respecting wages, hours or other working conditions.

#### *Form of Government Action Recommended*

It is submitted that the need for action is so urgent, particularly in view of the requirements of the present war, that the power conferred upon the Government in Council, under the War Measures Act, should be invoked to pass an order in council to the above effect having the force of law throughout Canada.

Such an order in council would declare the normal standards required in industrial relations. These may be regarded as the minimum essentials in wartime. Should more drastic measures be required to maintain production in the present emergency, these may be superimposed upon these basic standards by separate and special order.

In considering such an order in council, it should not be assumed that the benefits which will follow from its adoption will be confined solely to wartime. These benefits will directly influence, for the better, the relations in effect between employee and employer when the war is over, thus very greatly improving the prospects of continued production and employment at that time.

It is recognized that any such order in council would cease to be in force at the end of the war. In order to retain its advantages and perpetuate it as law, its terms must be re-enacted in the form of a statute. The constitutional difficulties due to divided legislative jurisdiction over this subject should not prove insurmountable. It is no longer proper that the standards of conduct in labour relations and their enforcement, should

vary from province to province. These matters\* have become national in character and effect, and it is essential that they, like banking and criminal laws, should be uniformly established and enforced throughout the Dominion.

This object could be accomplished at least temporarily by enacting uniform legislation in all provinces. The permanent resolution of this problem would be amendment of the British North America Act to enable the Dominion Parliament to pass this legislation and have exclusive jurisdiction over these matters.

It is urgent in the national interest that immediate steps should be taken by the Dominion Government in conjunction with the various provincial governments to arrange for the passage of the necessary legislation to bring this about.

Mr. LALANDE: A pretty tall order.

Mr. DELAMERE: Yes, but labour relations is a pretty tall order, and deserves every effort on the part of everyone to try and bring about the desired results. In any event, temporary legislation would bring about a better set of labour relations than what might come out of the war period if nothing is done at the present time to deal with the matter.

## II. *Wages, Cost of Living Bonus and Associated Questions*

The continuance of the present restrictions imposed by the Wartime Wages Control Order, or the advisability or inadvisability of altering or modifying these restrictions, are primarily questions of national economics and finance, which must be left for decision by the proper departments of the government based upon the data and facts in their possession. In the circumstances, the company has only the following comments and suggestions which it would wish to emphasize to the Board:—

(1) It regards inflation as one of the most serious threats with which the country is faced and any action taken with respect to the Wartime Wages Control Order must be subordinated to this paramount consideration.

(2) In the opinion of the company, everything possible should be done to expedite determination of applications coming before this Board and the Regional War Labour Boards and to assure the adoption and public announcement of a single policy to be applied in making their decisions.

## III. *Conclusion*

In availing itself of the opportunity given by the Board to present proposals for the improvement of labour relations, this Company has endeavoured to suggest a basis of relationship which will serve the needs of society and meet the legitimate and rightful demands of employers, employees and labour organizations. It is appreciated that the suggested order in council might be received unfavourably by anyone who would hope to use the war emergency to destroy the union movement or the right of employees to bargain collectively. It might be received equally unfavourably by any others who would seize this occasion to undermine the effectiveness of management, to destroy the right of employees to stay out of unions or to force employees into representation by a particular kind of labour organization to the exclusion of other or "independent" kinds freely selected.

\* In matters of wages and working conditions, however, local conditions necessarily have their effect, and it is not suggested that in these matters uniformity should necessarily prevail throughout the Dominion or that the jurisdiction of the provinces over these matters should be disturbed.

The Company is confident, however, that an order in council assuring a balanced and equitable code of conduct with a reliable means for its enforcement would be welcomed by that vast majority of employers and employees who recognize that they cannot call for responsibility and fair play from others unless they are prepared to offer these in return and in equal measure. The company believes that they will share in its opinion that adoption of the proposals made in this brief would largely remove distrust and fear in labour relations and permit employers, employees and labour organizations to live and work together in serving the national interest.

All of which is respectfully submitted.

The CHAIRMAN: There is only one general fundamental proposition here. You are proposing to set up a court, its members being qualified as people already belonging to the judiciary. I do not know whether that is a class that is particularly qualified.

Mr. DELAMERE: I suggest that almost entirely this so-called Labour Court is judicial in character. It is unlike any other court where the conduct has been defined and determined. The matters to be considered are not of a character requiring information on all subjects.

The CHAIRMAN: I think one of the main qualifications is to be somewhat inexpert.

Mr. DELAMERE: I would suggest that the duty of the law making body is to define the standards which should be observed, and it is then the duty of the court to see that these standards are put into effect, without fear or favour. That is a purely judicial job.

The CHAIRMAN: It is just the type of setup that labour itself would take objection to. Practically every bit of labour legislation that you have, going back as far as 1870 in England, has resulted from interference by the executive body after court decision, and there is that feeling of uneasiness about the situation. There are numbers of cases where legislation has resulted in the desire of the executive to nullify the principles established by the court.

Mr. DELAMERE: I think this is the first time for any legislation to give both sides the rights and obligations, and define reasonably—

The CHAIRMAN: If you are thinking of the National War Labour Relations Board, the distinction is very great. In that case the Board to a large extent makes the law after investigating the situation.

Mr. COHEN: Would not this Labour Court be doing the same thing?

Mr. DELAMERE: No, it is given very definite things which must be administered.

Mr. COHEN: What is the suggestion you make as to the appropriateness of one or another body?

Mr. DELAMERE: I suggest that is a matter to be put up to the court by both sides.

Mr. COHEN: But when the court comes to deal with it, what criterion would the court take into account in arriving at a conclusion?

Mr. DELAMERE: The request of the parties for performance, and the arguments put to the court. In the same way any commercial contract may come before a court. I suggest there is nothing very difficult here.

Mr. COHEN: If you consider some of the practical problems involved, as for instance the proper bargaining unit, you are making the law, in effect.

Mr. DELAMERE: I suggest that is one of the things we might get by profiting from the experience of others.



The CHAIRMAN: You are suggesting there would be some particular virtue in one class that would make it more likely that these questions would be dealt with?

Mr. DELAMERE: There have been instances of matters passing backwards and forwards from employer to employee, and they do not know where they are yet. That was the result of standing upon possibly ill-considered blanket decisions. I would suggest that you take the example from this brief on which your suggestion bears most weight, and on other factors mentioned; a judicial body is infinitely superior to a board. Above all in order to obtain proper relations you must have an absolutely impartial body which would have the confidence of all the people. Whether we like it or not, I believe that our judiciary in this country stands very high. It is one of the outstanding characteristics of this country.

The CHAIRMAN: Thank you.

Hearing adjourned until Tuesday, June 1, 1943, at 2.30 p.m.

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# NATIONAL WAR LABOUR BOARD

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## PROCEEDINGS

Official Report

No. 8

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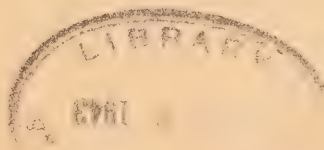
SUBJECT:

### Labour Relations and Wage Conditions in Canada

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HEARING: OTTAWA

DATE: JUNE 1 and 2, 1943



OTTAWA  
EDMOND CLOUTIER  
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY  
1943





## NATIONAL WAR LABOUR BOARD

### LABOUR RELATIONS AND WAGE CONDITIONS IN CANADA

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Proceedings of Public Inquiry held in the Board Room of the Board of Transport Commissioners for Canada, Union Station, Ottawa, on Tuesday, June 1, 1943, commencing at 2.30 p.m. and continuing on Wednesday, June 2, 1943.

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#### PRESENT:

The Hon. Mr. Justice C. P. McTague, J.A., Chairman.  
Mr. J. L. Cohen, K.C., Member of the Board.  
Mr. Léon Lalande, Member of the Board.  
Mr. D. G. Pyle, Secretary.

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#### APPEARANCES:

Louis Larose.....	Federal Union of Arsenal Workers of Quebec.
Charles N. Labelle.....	Federal Union of Arsenal Workers of Quebec.
John Drybrough.....	Secretary, Mid-West Metal Mining Association.
Arthur Johnson.....	Vice-President, Aluminum Workers, International Union, Local 22022.
A. Brisson.....	A.W.I.U. No. 22022.
P. L. Cutler.....	Int'l Vice-President of the Union Council, A.W.I.U. (A.F. of L.)
J. C. Adams, K.C.....	Central Ontario Industrial Relations Institute.
J. S. McCullagh.....	Niagara Industrial Relations Institute.
Peter Dunlop.....	Secretary, Hamilton Labour Council.
J. A. Sullivan.....	President, Canadian Seamen's Union.
D. Ferguson.....	Secretary-Treasurer, Canadian Seamen's Union.



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Pursuant to adjournment the hearing was resumed at 2.30 p.m., Tuesday, June 1, 1943.

The CHAIRMAN: Do you wish to make recommendations along the line of this memorandum, Mr. Labelle?

Mr. Charles N. LABELLE (Federal Union of Arsenal Employees of Quebec): It was understood we will be proceeding in French. Will that be all right?

The CHAIRMAN: Yes, it will make no difference, whichever you wish.

M. LABELLE: (English translation follows on pp. 602): Ce que nous avons à soumettre, ce sont les conditions, les salaires. Les salaires, à Québec, tout en étant bas, sont irréguliers, non uniformes, c'est-à-dire que pour la même catégorie de travail, les hommes sont payés différents prix. Prenons, par exemple, un homme qui travaille sur une machine, il sera payé au prix de 60 cents l'heure, tandis que son voisin, pour le même travail, recevra 70 ou 75 cents l'heure.

M. LALANDE: Vous parlez toujours des conditions à l'Arsenal de Québec?

M. LABELLE: Oui; seulement, tout l'Arsenal, l'Arsenal de Québec. Alors, nous avons fait des démarches auprès du surintendant, le Brigadier Thériault; nous lui avons demandé de stabiliser les salaires, de payer des salaires uniformes, de payer les ouvriers le même prix pour la même catégorie de travail. Nous avons fait des démarches auprès du Conciliateur du Gouvernement, monsieur Raoul Trépanier; depuis un an, on discute, et on nous fait la suggestion de griefs par écrit. C'est monsieur Trépanier qui nous a fait cela.

Alors, c'est ce que nous avons fait. Maintenant, ces griefs se promènent entre le Brigadier et M. Trépanier.

M. LALANDE: Le Brigadier....

M. LABELLE: Le Brigadier Thériault, le surintendant des arsenaux, Antonin Thériault. Cela se promène quatre, cinq fois. Cela va d'abord à M. Trépanier, ensuite au Brigadier. Sa réponse va à M. Trépanier, puis elle nous revient. Le plaignant qui a fait le grief fait sa contre-réponse, étant donné, nécessairement, que la réponse n'est pas exacte ou conforme au grief — elle va à M. Trépanier, et retourne au Brigadier.

M. LALANDE: Est-ce que vous avez fait une demande au Département du Travail?

M. LABELLE: Nous n'avons pas affaire à eux, parce que c'est une union internationale.

M. LALANDE: Est-ce que vous avez fait une demande

M. LABELLE: Nous n'avons pas fait de demande, parce que nous sommes tombés entre les mains du Conciliateur du Gouvernement, M. Trépanier.

M. LALANDE: Je crois que vous avez droit de faire une demande au conseil régional.

M. LABELLE: Je ne crois pas qu'on puisse faire de plainte au conseil régional. Nous avons marché suivant la directive de M. Trépanier. Ce qu'il nous a dit de faire, nécessairement, nous l'avons fait; nous l'avons fait pour le bien de tous: pour sauver du temps d'abord, et empêcher de compliquer les choses.

M. LALANDE: Vous comprenez, monsieur Labelle, que nous conduisons ici une enquête publique sur la question des relations ouvrières en général, et ce que vous discutez en ce moment me paraît être une question bien particulière, une question de salaires dans une industrie en particulier. Nous sommes prêts à vous entendre sur des questions plus générales.

M. LABELLE: Je veux bien croire, mais nous soumettons cela comme question générale, parce que l'Arsenal n'est pas privé. Ce n'est que dernièrement que l'ouvrier a pu avoir recours aux unions, parce que, ordinairement, ce n'est pas un patron ordinaire, c'est le Brigadier qui se trouve à être le Surintendant.

M. LALANDE: Cela ne vous empêche pas de faire une demande au conseil régional.

M. LABELLE: On peut faire la demande.

M. LALANDE: Mais nous ne siégeons pas aujourd'hui, sur des causes de salaires; c'est une enquête d'un caractère général, aujourd'hui, sur la question des relations ouvrières.

M. LABELLE: Mais quand vous trouvez une difficulté, par exemple, qui concerne les salaires dans une industrie, particulièrement dans une industrie contrôlée par le Gouvernement...

M. LALANDE: Mais nous ne voulons pas entrer dans les détails.

M. LABELLE: Ce n'est pas entrer dans les détails.

M. LALANDE: Est-ce que vous avez l'intention de discuter les points qui sont énumérés sur cette feuille? Ce n'est pas parce que je veux vous interrompre...

M. LABELLE: Je veux établir d'abord qu'on a eu une entente de travail reconnue par le Surintendant, à la connaissance de M. Trépanier, et qu'ensuite, si cette entente de travail était respectée, cela réglerait toute la question, parce que cela renferme tout.

M. LALANDE: Quel est la date de votre convention?

M. LABELLE: Le 28 septembre dernier.

M. LALANDE: Puis vous prétendez que le Surintendant, ou les autorités qui ont la responsabilité, de l'Arsenal, ne s'en tiennent pas aux conventions prévues à la convention collective?

M. LABELLE: Oui, c'est cela; ils ne s'en tiennent pas aux conventions. Puis la preuve, c'est que le moyen le plus facile d'entente—les "Comités de Shoppe" qu'on appelle, a été laissé de côté. On a formé des "Comités de Shoppe" pour discuter du grief de l'ouvrier avec le patron ou le contremaître, afin de faciliter la chose. On laisse le "Comité de Shoppe" de côté, pour traiter avec l'employé, et on se sert d'intimidation, en disant: "Si tu n'es pas satisfait, donne ta passe." Alors, je crois que c'est une manière injuste pour en venir à une entente. C'est une chose assez sérieuse, le traitement de l'ouvrier, et cela peut venir en convention avec l'effort de guerre et le matériel; parce que l'ouvrier, étant déjà dans une position assez critique, s'il n'est pas satisfait des conditions de travail ou des salaires, n'est certainement pas encouragé à donner le rendement.

M. LALANDE: Est-ce que vous avez un atelier fermé, en vertu de votre convention collective?

M. LABELLE: Non, on n'a pas le droit de l'avoir, puis on ne l'exige pas.

M. LALANDE: Vous parlez de "closed shop", qu'est-ce que vous voulez dire par cela?

M. LABELLE: C'est parce que cela a été suggéré.

M. LALANDE: Par qui?



M. LABELLE: Par M. Trépanier; nous en avons parlé ensemble. Mais on en est venu à la question d'une association qui s'est formée en 1918, dans l'Arsenal de la Côte du Palais, l'ancien arsenal, et cette association a discontinué ses activités depuis. Il avait été entendu, entre les vieux employés et l'Administrateur des Arsenaux, qu'il ne serait plus question de cela, que l'employé serait bien traité, qu'il n'aurait plus besoin de cela. Alors, quand l'Union est arrivée, ils ont relevé cette association, qui n'a aucun programme et qui ne travaille pas dans l'intérêt de l'ouvrier. Plus que cela, nous avions convenu, quand nous parlions des conditions de travail—they ont des demi-heures, pour faire des conférences—...

M. LALANDE: Comment appelez-vous cette association?

M. LABELLE: L'Association des Employés Civils du Canada. Ils se disent affiliés avec le service civil d'Ottawa, ici, puis nous sommes justement à nous occuper de la chose pour voir s'ils sont affiliés, puis, s'ils ne le sont pas, ils ne peuvent réellement pas donner un conseil. Maintenant, dans les conditions de travail, pour abrégé l'affaire, je dirai que nous avons un très mauvais service. Prenant par exemple le cas des employés—il y en a un grand nombre—qui ne mangent pas beaucoup le matin, et qui partent à bonne heure. A Val Cartier, par exemple, il y en a qui partent à 6 heures, le matin, pour prendre le travail à 8 heures,—il faut tenir compte du voyage—they ne mangent pas avant midi. S'ils apportent une collation, on leur refuse le droit de la manger: s'ils sont pris à manger au travail, ils sont suspendus pour huit ou dix jours, en guise de punition. S'ils ne mangent pas, étant donné qu'ils n'ont pas mangé le matin, ils n'ont pas la force de se rendre jusqu'au midi. Ils ont des indispositions, et sont obligés de se retirer pour se remettre. La chose est absolument normale. Alors, ils quittent le travail pour dix minutes, une demi-heure, une heure, puis ils reprennent leur poste après s'être reposé. Vous avez, d'un autre côté, nos voisins, à la United Kingdom, au département d'inspection, les ouvriers travaillent moins fort, ils sont moins assidus, et ils ont dix minutes l'avant-midi et dix minutes l'après-midi pour la collation. A la Côte du Palais, ils ont la même chose. Alors, de ces trois arsenaux dirigés par le même homme, il n'a que nous, à Val Cartier, qui n'avons pas ce privilège.

M. LALANDE: Vous demandez les mêmes conditions de travail que celles qui existent dans les arsenaux privés?

M. LABELLE: Ce n'est pas privé, la United Kingdom, c'est le Gouvernement Impérial, ils sont affiliés aux arsenaux du Dominion.

M. LALANDE: Vous voulez avoir les mêmes conditions qu'eux?

M. LABELLE: Oui. Si l'on veut qu'un ouvrier donne son plein rendement, il faut le garder en condition. Il y a aussi la question d'eau. Nous n'avons pas d'eau sur les chars. Il est arrivé quelquefois que des personnes aient été indisposées, sans pouvoir avoir une goutte d'eau. On nous transporte en chars, franchement, ce n'est pas loin, puis nous, à Québec, nous ne sommes pas difficiles, mais pas d'eau, c'est un peu fort.

M. LALANDE: Vous savez que les officiers supérieurs des unions ouvrières sont venus ici?

M. LABELLE: Oui.

M. LALANDE: Vous savez qu'ils nous ont fourni des factums détaillés.

M. LABELLE: Oui, mais des factums d'un caractère général. Je crois qu'il serait d'intérêt général que vous ayez ici des renseignements au sujet de cette industrie, renseignements sur lesquels on a peut-être passé outre. Je puis vous dire que ce qui se passe dans cette industrie à Québec est tellement arbitraire, que des conditions semblables ne se rencontrent nulle part ailleurs. C'est une question qui, à mon sens, devrait être étudiée à fond.

M. LALANDE: Je crois que vous en avez dit suffisamment pour permettre l'étude de la question des conditions à Québec. Ce que vous avez dit est consigné au dossier de l'enquête.

M. LABELLE: Je vous ferai parvenir, en cinq exemplaires, un factum plus détaillé, dans lequel nous pourrions vous exposer notre demande plus clairement.

M. LAROSE (M. Louis Larose, représentant l'Union Fédérale des Employés d'Arsenaux de Québec): Je n'ai pas grand'chose à ajouter, monsieur le président. Je vais essayer de m'expliquer en anglais, pour le bénéfice de monsieur le président.

*(English Translation.)*

Mr. LABELLE: Our submissions refer to working conditions and wages. The wage rates at Quebec, though low, are irregular, not uniform; that is to say the men receive different rates for the same type of work. For example, a machine operator will be paid at 60 cents per hour, while the operator next to him, and doing the same work, will receive 70 or 75 cents per hour.

Mr. LALANDE: You are always referring to conditions at the Quebec Arsenal?

Mr. LABELLE: Yes, but in the whole Quebec Arsenal. We then approached the Superintendent, Brigadier Theriault, requesting him to stabilize the rates, pay uniform wages, and to give men the same pay for similar work. We also got in touch with the Government's Conciliation Officer, Mr. Raoul Trepanier. Discussions have been going on for a year. Mr. Trepanier suggested that we submit our grievances in writing, and we did so. Now our grievances have been going back and forth from the Brigadier to Mr. Trepanier.

Mr. LALANDE: Brigadier...

Mr. LABELLE: Brigadier Theriault, Antonin Theriault, the Arsenal's Superintendent. They go around thus four or five times. First they go to Mr. Trepanier, then to the Brigadier, whose reply goes to Mr. Trepanier, and is then referred to us. The claimant then replies in turn (since the reply is necessarily inaccurate and not in conformity with the grievance) to Mr. Trepanier, who refers it to the Brigadier.

Mr. LALANDE: Did you make an application to the Department of Labour?

Mr. LABELLE: We have nothing to do with them; the union concerned is an International Union.

Mr. LALANDE: Did you make an application?

Mr. LABELLE: We did not make an application, since we were turned over to the Government Conciliator, Mr. Trepanier.

Mr. LALANDE: I believe you have the right to make an application to the Regional Board.

Mr. LABELLE: I do not think we could submit a complaint to the Regional Board. We acted on Mr. Trepanier's directions. We necessarily did what he told us to do; we did so for the general good, to save time, in the first place, and to avoid complication of matters.

Mr. LALANDE: You understand, Mr. Labelle, that we are conducting here a public inquiry in the matter of labour relations generally, whereas what you are now discussing appears to be of a very particular nature, concerning as it does the wages in a particular industry. We are ready to hear you on matters of a more general order.

Mr. LABELLE: I understand, but we are submitting this as a general matter, since the Arsenal is not a private undertaking. It is only recently that workers have been able to resort to the Unions, because usually they are not dealing with an ordinary employer, as Brigadier Theriault is the Superintendent.

Mr. LALANDE: That does not prevent you making an application to the Regional Board.

Mr. LABELLE: The application could be made.

Mr. LALANDE: But we are not sitting on wage matters to-day; to-day's inquiry is of a general character concerning labour relations.

Mr. LABELLE: But when you come upon a difficulty, for instance concerning the wages in an industry, especially in an industry under Government control...

Mr. LALANDE: But we do not want to go into details.

Mr. LABELLE: That is not going into details.

Mr. LALANDE: Do you propose discussing the points?... It is not that I wish to interrupt you...

Mr. LABELLE: I wish to establish, first of all, that we have a labour agreement recognized by the Superintendent, to Mr. Trepanier's knowledge, and, secondly, that if said agreement were observed, the whole matter would be settled, as the agreement covers the whole thing.

Mr. LALANDE: What is the date of your agreement?

Mr. LABELLE: September 28 last.

Mr. LALANDE: And you claim that the Superintendent, or the responsible authorities of the Arsenal, are not respecting the provisions of the collective agreement?

Mr. LABELLE: Exactly; they do not abide by the provisions. As proof of that, the best medium of understanding, namely the Shop Committees, has been ignored. Shop Committees have been established to discuss employees' grievances with the employer or the foreman, in order to facilitate things. But the Shop Committee is ignored, and dealings are with the employee. Intimidation is used, and the employee is told: "If you are not satisfied, turn in your pass". I consider that an unfair method of bringing about an understanding. The question of the treatment of labour is a serious one, and it may lead to cutting down of the war effort and of materiel, because the worker, already in critical enough a position, has very little inducement indeed to produce, when he is dissatisfied with the working conditions or the wages.

Mr. LALANDE: Have you a closed shop under your collective agreement?

Mr. LABELLE: No. We are not permitted to have it and, besides, we do not demand it.

Mr. LALANDE: You speak of "Closed shop". What do you mean by that?

Mr. LABELLE: Because it was suggested.

Mr. LALANDE: By whom?

Mr. LABELLE: By Mr. Trepanier. We discussed the matter together. But the question came up of an organization established in 1918 at the Cote du Palais Arsenal, that is the old Arsenal, an organization that has discontinued its activities, later. It was agreed between the older employees and the Administrator of Arsenals that the thing would be forgotten, since the employees would be well treated and there would not longer be any need of it. But when the Union appeared, the old organization or Association was re-established, an organization without any program and that is not working in the employees' interests. Furthermore, it was understood, while we were discussing working conditions—they are allowed half-hours to give talks—

Mr. LALANDE: What is the Association's name?

Mr. LABELLE: "L'Association des Employé Civils du Canada" (Association of Civil Servants of Canada). They claimed affiliation with the Dominion Civil Service here. We are just now finding out whether they are affiliated or not and, if they are not, they surely cannot give advice. Now, as to working conditions, I will say, to be brief, that we have a very poor service. As an example, take the employees—and there are many such—who eat very little



breakfast and leave home early. At Val Cartier, for instance, there are employees who leave home at 6 in the morning to be at work at 8, due to the distance they have to travel, and they do not eat before twelve noon. If they bring a lunch along, they are not permitted to eat it; and if caught eating, they are suspended for eight to ten days as punishment. Unless they eat, considering they have been without food since early morning, they have not the strength to wait until twelve noon: they become sick and must leave work to recover, which is the natural thing to do. They are away for ten minutes, half an hour or one hour, returning to their job when they are well again. On the other hand, at the United Kingdom, close by, the Inspection Department employees work less strenuously, are not so much on time, and are allowed ten minutes for lunch forenoon and afternoon. The same thing exists at the Cote du Palais. So out of these three arsenals administered by the same party we, at Val Cartier, are the only ones deprived of said privilege.

Mr. LALANDE: You are asking for the same working conditions as in private arsenals?

Mr. LABELLE: They are not private undertakings. The United Kingdom is, in other words, the Imperial Government; those arsenals are affiliated with the Dominion arsenals.

Mr. LALANDE: You want the same conditions as they have?

Mr. LABELLE: Yes. If it is desired that the employee gives his best, he must then be kept in fit condition to work. There is also the matter of water. There is no water aboard the trains. It has happened that people taken ill aboard could not have a drop of water. We got transportation by train; the distance is not really long. We, at Quebec, are not hard to please, but to be without water is asking too much.

Mr. LALANDE: You are aware that Union high officers were here?

Mr. LABELLE: Yes.

Mr. LALANDE: You also know that they submitted detailed briefs?

Mr. LABELLE: Yes, but those briefs were of a general character. I believe it would be of general interest for you to have here information concerning the industry in question, information which might possibly have been disregarded. I can say to you that what is going on in said industry at Quebec is so arbitrary that similar conditions can be found nowhere else. I am of the opinion that the point in question should be thoroughly examined.

Mr. LALANDE: I believe you have said enough to permit examination of the matter of existing conditions at Quebec. Your statements have been placed on record.

Mr. LABELLE: I will send you, in five copies, a more detailed brief in which we could express our request more clearly.

Mr. LAROSE: (Mr. Louis Larose, representative of the Federal Union of Arsenal Employees of Quebec): I have little to add, Mr. Chairman, and for the Chairman's benefit, I will attempt to express myself in English.

Appendix—

The CHAIRMAN: Do you wish to say anything, Mr. Larose?

Mr. LOUIS LAROSE (F.U. of A.E. of Quebec): I do not know what information the Board wants. We have no description of what we were to discuss when we did come up here. This is for matters only of wage relations and conditions in Canada?

The CHAIRMAN: Yes, this is a general inquiry. Any special cases are dealt with by the Regional War Labour Boards or the National War Labour Board, whichever has jurisdiction. This special inquiry has nothing to do with them.

Mr. LAROSE: It is too bad we do not know what is required. We have come here with empty hands. There may be lots of things we should produce to you.

The CHAIRMAN: It may be that you have some special questions with respect to wages, on which you might make application to the National War Labour Board. We have them coming in all the time. I think that the Quebec arsenals are a Crown company. You can still apply to the National War Labour Board on any question of wages or cost of living bonus. The secretary has given you a pamphlet which shows what we are discussing at the present time.

Mr. LAROSE: I do not want to repeat what has been said. There is a local question on which we appoint a committee to meet the superintendent of the Dominion Arsenal. We know it cannot be discussed here, but as far as this pamphlet in relation to wages is concerned, that is most important. In the three arsenals in Quebec, our agreement shows, it was approved and accepted by the superintendent, that if any of the employees have some grievance they should go with the shop committee to the head foreman and discuss the matter in front of the head foreman, but that is not what is done most of the time. In fact when they bring that man into the office, and the foreman shows him the grievance and asks the man what he has to say about it—some of these fellows are young, never been working before, and they shake their heads and say they are satisfied, or they say "we did not mean that." That is one of the worst things we have in the three arsenals in Quebec. That is what has been claimed to the superintendent. That is what happened when the grievance comes up. It is about the same in regard to wages. When you take the man in he is afraid and that is all there is about it.

Mr. COHEN: Now that you have before you a pamphlet showing the proceedings of the preliminary inquiry, and what the Chairman of the Board explained as to the scope and nature of this inquiry, it may be possible for you to submit some matters for our consideration which are within those bounds. There is nothing standing in the way of your doing so.

Mr. LAROSE: We would like to do that. This will be a guide. Take this list—Millwrights, 65 cents to 75 cents, lots of them never get that. Masons, supposed to start from 45 cents to 70 cents; machinists, loaders, the same thing. The superintendent of the three arsenals calls them the tops. I am an electrician by trade. I am supposed to stay at 70 cents; the carpenters, plumbers, painters and steamfitters are the same. We will discuss what is in this, and then we will send you a copy, and then it may be better if we come back to discuss these matters.

The CHAIRMAN: We will let you know.

Mr. LAROSE: After you have studied what we send to you?

#### SOMMAIRE DE GRIEFS SUR SALAIRE ET CONDITIONS DE TRAVAIL

1. D'abord salaire insuffisant. Il serait juste d'avoir le même salaire que dans les autres provinces, voire même les autres villes.

Salaire uniforme pour le même travail, réajustement général de salaire dans toutes les catégories de travail, actuellement quelques-uns seulement profitent d'un certain réajustement variant de .01 cent à .05 cents et ceci d'une lenteur vraiment ridicule.

Nous vous soumettons une liste de salaire des Arsenaux de Québec.

2. Nombre d'employés, hommes et femmes ne mangent presque pas le matin et n'ont même pas le droit de collationner entre le repas, pourtant cela se fait au département de l'Inspection.

Pour ces raisons nombre d'ouvriers sont indisposés et affectent leur santé.

3. Règle générale des ouvriers subitement indisposés durant leur travail doivent s'absenter pour quelque temps. Ces gens sont obligés de perdre le temps qu'il prennent à se remettre. Ils poinçonnent leur temps aussitôt et si la maladie est de 30 minutes, une heure ou plus ils ne sont pas payés pour ce temps. Pourtant, ils sont malades sur l'ouvrage, ne quittent pas les lieux et plus souvent retournent au travail.

4. Un service de transport peu désirable, wagons malpropres et dans aucun des wagons nous n'avons d'eau.

5. Il existe une association de patrons qui est une cause de friction entre ouvriers et patrons.

Le président de cette association est monsieur J. O. Racine, grand contre-maître à l'usine de St-Malo.

Vous avez admis que le meilleur système est "l'Atelier Fermé". Le local 23154, par la présente en fait la demande.

Nous avons bien d'autres questions discutables qui seraient certainement de nature à améliorer et même à régler les salaires et conditions de travail pour le bien de l'ouvrier et des patrons et dans l'intérêt d'un meilleur effort de guerre.

Nous sommes à votre disposition et heureux de coopérer avec vous et le gouvernement.

#### UNION FÉDÉRALE DES EMPLOYÉS DES ARSENAUX DE QUÉBEC, LOCAL 23154

##### LISTE DE SALAIRE

	<i>Bas</i>	<i>Haut</i>
Spécialiste .....	0.70	0.80
Magasin Valcartier .....	0.55	0.55
Chargeur .....	0.65	0.70
18 lbs Valcartier .....	0.55	0.60
Millwright .....	0.65	0.75
Helper Millwright .....	0.60	0.60
Surveillant .....	0.75	0.75
Settler .....	0.45	0.75
Trucker .....	0.45	0.45
Balayeur .....	0.45	0.55
Opérateur .....	0.35	0.60
Masson & Helper .....	0.45	0.70
Laveur .....	0.55	0.55
Electricien .....	0.70	0.70
Aide-électricien .....	0.50	0.55
Crane man .....	0.68	0.68
Helper-caster fonderie .....	0.60	0.70
Machiniste .....	0.55	0.90
Helper-machiniste .....	0.45	0.45
Huileur-graisseur .....	0.45	0.45
Tool & Gauge Maker .....	0.70	1.25

#### *Summary of Grievances Concerning Wages and Working Conditions* (English translation)

1. First of all there is the inequality of wages. It is only fair that we should have the same wages as paid in other Provinces, or even in other cities.



Equal wage for equal work; general wage adjustment in every class of labour. At present, only a few benefit from a certain adjustment varying between .01 cent and .05 cents, but the method is ridiculously slow.

We are enclosing a list of rates at the Quebec Arsenals.

2. Many employees, both men and women, have practically no breakfast and are not allowed a break for lunch between meal hours; yet such a break is allowed in the Inspection Department.

As a result, many employees are unwell and suffer in their health.

3. Generally, the employees taken suddenly ill at work must absent themselves for some time, and they lose the time thus required to recover. They have to punch-out, and if their condition keeps them away for half an hour, one hour or more, they are not paid for such time. Yet they take ill on the job, remain on the premises and, oftener than not, resume work.

4. Unsatisfactory transportation service; the coaches are dirty, and there is water in none of the coaches.

5. There exists an Employer Association which is a cause of friction between employees and employers. The President of said Association is Mr. J. O. Racine, Head Foreman at the St. Malo plant.

You have admitted that the "Closed Shop" offers the best system; Local 23154 hereby requests such a system. We have other debatable matters which would certainly contribute to the improvement and settlement of wages and working conditions in the best interests of employees, employers and the war effort.

We remain at your disposal and are ever anxious to co-operate with you and the Government.

# FEDERAL UNION OF ARSENAL EMPLOYERS OF QUEBEC, LOCAL 23154

## WAGE RATES LIST

	Low	High
Specialist . . . . .	0.70	0.80
Store . . . . .	0.55	0.55
Loader. . . . .	0.65	0.70
18 lbs. Valcartier . . . . .	0.55	0.60
Millwright. . . . .	0.65	0.75
Helper Millwright . . . . .	0.60	0.60
Supervisor. . . . .	0.75	0.75
Settler . . . . .	0.45	0.75
Trucker. . . . .	0.45	0.45
Sweeper . . . . .	0.45	0.55
Operator . . . . .	0.35	0.60
Mason and Helper. . . . .	0.45	0.70
Washer. . . . .	0.55	0.55
Electrician . . . . .	0.70	0.70
Electrician's helper . . . . .	0.50	0.55
Crane man . . . . .	0.68	0.68
Helper-caster foundry . . . . .	0.60	0.70
Machinist . . . . .	0.55	0.90
Helper-machinist. . . . .	0.45	0.45
Oiler-greaser . . . . .	0.45	0.45
Tool and Gauge Maker. . . . .	0.70	1.25

The CHAIRMAN: Yes. Mr. Drybrough?

Mr. John DRYBROUGH (Secretary, Mid-West Metal Mining Association): Mr. Chairman and members of the board, I am the secretary of the Mid-West Metal Mining Association, and an engineer by profession. I have brought a brief which I would like to present to you. It is as follows:

This brief is presented by the Mid-West Metal Mining Association, the members of which are the metal producing mines of Manitoba and Saskatchewan, with approximately 3,300 employees. Of these 90 per cent are engaged in base metal production.

The Association is less than three years old but the mining activity represented goes back to 1936. It contributes considerably to the total of Western Canada industrial production.

The CHAIRMAN: I suppose this includes the Hudson's Bay Mining and the Sherritt Gordon?

Mr. DRYBROUGH: Yes.

The opinions expressed are the results of discussion, in which complete agreement was reached, between the executives of the member companies.

We believe that industrial harmony and progress of the nation require the general acceptance of the following basic principles governing labour relations:—

1. The right of every individual to pursue his chosen vocation, (subject, of course, to the laws of the country) free from coercion from any source and free from the necessity of paying tribute to anyone or any organization for that privilege.
2. The right of every individual to join or refrain from joining any lawful organization in the country without affecting in any way his right to work, which is the right to live.
3. The right of individuals, whether employers or employees, freely to join together in whatsoever manner they may choose for the purpose of collective bargaining, through representatives of their own choosing. However, the right of freedom from outside interference in organization must not affect the right of free speech.
4. The necessity of maintaining democratic practices in the election of officers and operation of any organized group.
5. The necessity for legal responsibility and accountability for the actions of their duly elected officers and a strict accounting of money transactions.

Certainly none of the foregoing principles can be construed as being undemocratic or unjust in their conceptions or applications. Compliance with these general rules can harm no individuals nor groups of individuals and in the long run lead to better understanding and mutual respect, which in the end is the basis for all peaceful and just industrial relations.

Based on this concept, we believe that any legislation on labour matters now contemplated for enactment should be designed to protect individuals, groups of individuals and the public in general from any encroachment upon these principles and, to that end, should embody the following:

#### *I. Rights of the Employees*

- (a) The right to collective bargaining by representatives of his own choosing.
- (b) The right to join a union of his own choice, or not to join, as he prefers.

- (c) The right to protection against excessive initiation fees, dues, levies or fines demanded from members of any labour organization.
- (d) The right to strike. This right is subject to procedure laid down by government regulations.
- (e) The right to protection against strikes not approved by majority vote by secret ballot of the workers affected, under an election in a manner prescribed by government regulations.
- (f) The right to protection by law from coercion or intimidation by anyone, whether employer or employee.
- (g) The right to protection against discrimination by employers or labour organizations on account of membership or non-membership in any lawful organization.
- (h) The right to protection against improper control of labour organizations by the mandatory holding of annual elections of officers, wherein every member will be ensured the opportunity of casting a secret ballot.
- (i) The right to protection against misuse of labour organization funds by compulsory submission to its members of complete audited statements of receipts and disbursements (including salaries, bonuses and other remuneration to officials) and of assets and liabilities, and by registration of these statements with the government.

## II. *Rights of Labour Organizations*

- (a) The right to organize without interference from employers or other labour organizations.
- (b) The right to bargain collectively on behalf of its members.
- (c) The right to protection of its members as outlined in clauses (d), (e) and (g) of "Rights of the Employees".
- (d) The right to protection from any interference by employers in its own administration.

## III. *Rights of Employers*

- (a) The right of freedom to engage and to discharge an employee for just cause, but with no right to discriminate because of membership or non-membership in any lawful organization.
- (b) The right to protection against illegal strikes, jurisdictional disputes, sit-down strikes or unlawful seizure, and to limitation of picketing to bona fide employees of the property being picketed.
- (c) The right to protection against irresponsible organizations or individuals by compulsory registration of labour organizations with the government, giving complete information on constitution, bylaws, directors and officials, with compulsory licensing of their business agents who may bargain collectively for their members only.

The Association is in full agreement with the principles of Order in Council P.C. 2685 but it is merely a statement of policy. Beginning with the Trades Union Act, there is a maze of Dominion acts, orders in council and regulations covering labour relations and wages which confuse employer and employee alike, while the rapidly changing and varying provincial legislation adds to the perplexity. Before progress can be made, clarification is an urgent necessity.

It is believed that the great mass of the workers are fair-minded and, while humanly anxious to improve their lot in life, will not readily encroach on the just rights of others or jeopardize the democratic rights for the preservation of which the war is being fought and which the



armed forces expect to be maintained in their absence. The problem is to frame legislation so that the real interests of these workers are fairly protected while the rights of industry and the public are recognized.

It is believed that legislation embodying the ideas set forth in this brief will—

1. Promote harmonious labour relations and help to maintain uninterrupted production.
2. Apply beneficially both to labour and to industry during the war and afterwards
3. Clarify the rights, privileges and responsibilities of all parties with respect to labour relations, thus minimizing the underlying causes of industrial strife and unrest.

If establishment of confidence by the government's refusal to tolerate illegal strikes and lockouts at any time is accompanied by a clear exposition by authority of the rights, privileges and responsibilities of employer and employee, individually and collectively, and by a campaign of education, there must ensue a reduction in number and severity of industrial disputes. Once the confusion is removed, the fair-minded employers and employees who constitute the vast majority and who realistically accept responsibilities with rights and privileges, will reject the individuals or organizations that clamour only for their own special interests. If such are eliminated by public opinion and by law, collective agreements will be honoured and industrial peace ensured.

The CHAIRMAN: Just as a matter of curiosity, are the concerns represented by you unionized?

Mr. DRYBROUGH: They have each a company organization.

The CHAIRMAN: In each one?

Mr. DRYBROUGH: Yes.

The CHAIRMAN: There is no international union?

Mr. DRYBROUGH: No, there is no affiliation. It includes all employees below a foreman—or rather it excludes all those who have the right to hire and fire. The employees select their own officials, and they deal with the company.

The CHAIRMAN: Have you been countered in organization demands on the part of the international unions?

Mr. DRYBROUGH: Not as far as this point.

Mr. COHEN: Where are your offices?

Mr. DRYBROUGH: My office is in Winnipeg.

The CHAIRMAN: Thank you. Now, Mr. Cutler, what you have is the story of Arvida, is it?

Mr. P. L. CUTLER (Aluminum Workers' International Union No. 22022): Yes. Mr. Johnson, Vice-President of the organization, will read the brief to you.

Mr. COHEN: What is your position in the organization?

Mr. CUTLER: I am the representative of the National Council of Aluminum Workers at Arvida.

The CHAIRMAN: All right, Mr. Johnson.

Mr. JOHNSON: The brief reads:—

This brief is presented by the Aluminum Workers' Union of Arvida (Charter 22022, A.F. of L.). It tells the story of over eleven thousand men and women and their families, and what they encounter in the process of turning out 40 per cent of the aluminum destined for the United Nations.

Mr. COHEN: Are you a local directly associated with the A.F. of L.?

- Mr. JOHNSON (A.W.I.U. No. 22022): Yes.
- Mr. COHEN: What is the organization that Mr. Cutler represents?
- Mr. CUTLER: I am the International Vice-President of the Union Council, a member of the Aluminum Workers' Union.
- Mr. COHEN: Is there a general council of A.F. of L. aluminum workers?
- Mr. CUTLER: Yes.
- Mr. LALANDE: Do you work in the plant at Arvida?
- Mr. CUTLER: Not now. I am a former employee.
- Mr. LALANDE: How long did you work there?
- Mr. CUTLER: I worked there a year. For five months now I have been working for the organization.
- Mr. COHEN: I wanted to get the organization set-up. There are a number locals chartered by the A.F. of L.?
- Mr. CUTLER: Yes, four locals in Canada.
- Mr. COHEN: They have a council?
- Mr. CUTLER: Yes.
- Mr. LALANDE: Do I take it your local represents the women as well as men?
- Mr. JOHNSON: Yes.

It tells in part the story of the Aluminum Company of Canada Limited, and its transformation into a huge octopus with one claw firmly holding the Lac St. Jean-Saguenay district, home of the Arvida plant, firmly in its grip. It also tells the story of the backwoods, the land of Maria Chapdelaine, being transformed into Canada's richest, most important industrial centre of its kind.

Only two years back, most people in this country had never heard of Arvida. It was on July 24, 1941, that they were rudely awakened by the news of a devastating strike in the Arvida plant—a strike which was crippling the production of precious aluminum for the War Effort. Headlines in the press screamed; the work-stoppage was played up by most journalists in a big way—but the wrong way. Echoes of sabotage at Arvida were heard across the country. But one question which was on everybody's lips was never answered.

Why did the strike occur, and what was needed to end it? Somehow, this question was left in the background.

Mr. LALANDE: There was a royal commission of inquiry on that?

Mr. JOHNSON: Yes, we come to that later.

After well-armed troops had been sent into Arvida, and intimidation and trickery had cleared the company grounds of strikers, the labour troubles were successfully—but only temporarily—shelved.

What is of interest to the National War Labour Board is that most of the reasons for the 1941 strike are still with us to-day.

In 1941, the Aluminum Company of Canada Limited had a collective agreement, or contract, with the National Catholic Syndicates covering all plant employees. On the surface, labour relations seemed quite peaceful. But when one looked carefully into the record of this collective agreement, a few strange facts were to be noted.

Firstly, this agreement had been first signed in 1937, and since that year it was renewing itself automatically, without coming before the employees. Secondly, the majority of the employees of the company in 1941 were not employees of the company in 1937, when the agreement was entered into. Thirdly, the National Catholic Syndicates, which held the contract with the company, as sole bargaining agent for all plant

employees, was not a legitimate labour organization, but had become a semi-company union, with its board of officers composed of general foremen and assistant superintendents.

Mr. LALANDE: I suppose when you use the word "legitimate" you are expressing an opinion?

Mr. JOHNSON: Yes.

This may be a wonderful situation for a company to find itself in order to settle minor problems in the company's interest; but the company now had no labour union to deal with as the representative of the workers; the company recognized no body that was close enough to the workers to know what they were thinking.

That explains, among other things, why, five minutes before the strike broke out, in 1941, the company had no inkling of what was about to happen in their own back-yard. That is why the Syndicates, holding a contract which purported to represent all the employees, could not advise the company of the pending catastrophe.

I should add that quite a few of the engineers scoffed at the idea that the workers would strike because there was the fear of losing their jobs.

Thus, when Canada's most costly strike broke out on that July day in 1941, the company and the Syndicates, like the proverbial ostrich, were keeping their heads buried in the folds of the collective agreement of 1937 which proved to represent nobody but a group of company foremen.

After the strike a Royal Commission was established, to study the causes of the work stoppage and, we assume, to submit concrete suggestions to help in avoiding repetitions in the future. That Commission has made a detailed study of the twenty-four-hour period immediately preceding the strike's outbreak. They have looked into the question of the strike's source in the plant, and they have sought its ringleaders.

But the Royal Commission did not go into the injustices which had existed at Arvida years before the strike. Thus, the final report of the Commission declares that the principle cause of the strike in 1941 was the hot, stifling weather . . .

I do not know whether you noticed that during that investigation there was not one engineer or foreman on the plant that would own up to saying that he recognized one striker.

Mr. COHEN: What do you mean by "recognized"?

Mr. JOHNSON: Their face.

Mr. COHEN: Whose face?

Mr. JOHNSON: The faces of any of the strikers.

Mr. COHEN: At the hearing?

Mr. JOHNSON: Yes.

Mr. COHEN: I am still not clear.

Mr. JOHNSON: They were asked if they knew the strikers, and they said "no". They always had some excuse for not knowing the strikers.

The CHAIRMAN: I am speaking from memory now, but my recollection is that it was suggested there was suspected sabotage. That was pretty broadly mentioned in the press. The commission was primarily investigating to find if that was so. That condition might also be the cause of the strike as well, the hot, stifling weather and the conditions in the pot rooms and so on.

Mr. JOHNSON: It was about 125 degrees that day.

Mr. LALANDE: Do you know whether the report of the royal commission has been published?



Mr. CUTLER: We asked for some and could not get them.

Mr. LALANDE: It was published in the newspapers.

Mr. CUTLER: We applied but did not receive any.

Mr. COHEN: Mr. Lalande probably has in mind the publication of the report of the commissioner in the *Labour Gazette*. Do you know if that took place?

Mr. CUTLER: No, the *Labour Gazette* only carried the report of the board of conciliation which followed.

Mr. JOHNSON:

In this, the Royal Commission was misled by the Aluminum Company of Canada Limited and the National Catholic Syndicates. The 1941 strike, we submit, was the breaking-point of years of injustice carried out by the company's superintendents and foremen against the employees.

Why did not the Syndicates expose these facts? Because in many cases, the foremen responsible for injustice in the plant were not only members, but leading officers of the Syndicates.

What were some of the grievances of the employees?

Seniority rights were never respected. The basic law of promotion according to years of service, with ability, held no place in the Arvida set-up. Instead, the following took place: Men who were with the company six months were promoted over employees with three and four years' service to their credit; other men with long years' experience were demoted to make room for "friendly" newcomers.

Mr. LALANDE: You are now referring to the seniority law apart from what may have been the provisions of the collective agreement?

The CHAIRMAN: You are indicating that there were no provisions?

Mr. JOHNSON: The company do not respect seniority. They would not listen to any word of it.

The CHAIRMAN: The point is, were there any provisions in the collective agreement with respect to seniority rights?

Mr. JOHNSON: I have not seen that agreement for two years.

The CHAIRMAN: I have never seen it.

Mr. COHEN: Irrespective of whether or not there was such a provision, you say that seniority was never respected by the company?

Mr. JOHNSON: That is right.

The CHAIRMAN: Was your organization in existence at that time?

Mr. JOHNSON: We had been in existence. We were kind of dormant for a while.

The CHAIRMAN: Did anyone represent your organization before the commission, and bring out any of these facts which you are now setting forth?

Mr. JOHNSON: No, sir.

The Royal Commission was never in a position to investigate such matters as (a) men had been promoted for buying liquor for the foremen, for supplying their cars for picnics, for belonging not only to the Syndicates, but also to some other "clique" organization in the region. (b) The Syndicates had become a stepping-stone for ambitious employees who, by the strange coincidence of having become an Officer, invariably received promotions.

Injustices went further than the abuse of seniority; it was commonly known among men that "unless you come in 'smiling' at your foreman, you get a three or four-day holiday." Men had received such forced

"congés" for the smallest conceivable reason if they were unfortunate enough to be on unfriendly terms, personally, with the foreman.

Outside of the plant, and after hours, the persisting control over the life by the company was deeply resented by the men. One-third of the employees live in the town of Arvida which is owned and controlled by the Aluminum Company of Canada Limited. The other two-thirds live in Chicoutimi, Jonquière and Kenogami, each approximately seven miles from the plant in Arvida. Travelling to and from these outside towns is a great inconvenience, especially during the long winter, and it is also a considerable expense.

The two-thirds living outside of Arvida are thus always on the look-out for an opportunity to move to Arvida, as new accommodations become available. In respect of this privilege, once again, the principle of "first come, first served" has not been observed by the company, and so, some employees have waited two years for a home in Arvida, while newcomers and others who had just recently applied for a home were, for some hidden reason, immediately accommodated.

Then there are the temporary camps set up for employees arriving at Arvida from all parts of the country and who cannot find accommodations in the several communities mentioned. In these camps, every man received a 5' x 6' room; all eat together in a large dining room; the food served has been consistently disgraceful, improving only for a short time when, occasionally, the protests of the men became insistent.

Mr. COHEN: Did you say five feet by six feet?

Mr. JOHNSON: Yes, sir.

Mr. COHEN: All right.

Mr. JOHNSON:

The system providing for discrimination against minors must be mentioned. This system allows two employees to work side by side doing identical work, the one receiving 75 cents per hour while the other receives only 35 cents per hour because he has not yet reached the age of twenty-one. In many cases, the so-called minor is the more capable of the two, with more years experience.

These facts have tended to embitter the men, not only against the company and, as they put it, the "Company-Syndicates," but, more important, against the government itself, for allowing such things to go on in such an important plant.

We were to see later on in the summer of 1942 how far this bitterness had gone. When the Governor-General, Lord Athlone, visited the plant in one department he was greeted with cries of "chapeau"—a term of contempt and ridicule. When he left Arvida, at the C.N.R. station, he waved to a large crowd on the platform, only to be answered by stone silence.

It is well-known that wages and conditions at Arvida have never met the standards of other, less important plants. The contract signed by the Syndicates, supposedly in behalf of the employees, allows for no overtime rates. Instead, it is specified in this contract that permission must be obtained from the superiors before more than eight hours per day can be permitted.

This has resulted in men being obliged, in many cases, to work sixteen-hour shifts without compensation for overtime. Records show men working forty hours without a break, at straight time. All holidays, without exception, are worked at straight time.

The CHAIRMAN: Now, is not that same provision with respect to overtime the Kingston plant as well? There is some compensating feature, as I recall it.

Mr. JOHNSON: I am sure it must be the order in the plant.

The CHAIRMAN: That is the point. It is not peculiar to Arvida, is it?

Mr. CUTLER: No, but surely because it is the one company.

The CHAIRMAN: Kingston is the same, and Toronto is the same?

Mr. CUTLER: That is what I say, it is just the one company. I think it is the only company in Canada where workers do not get time and a half for overtime.

The CHAIRMAN: Is your union in the Kingston plant?

Mr. CUTLER: No.

The CHAIRMAN: There was a C.I.O. union there. I do not know whether they ever got in, but they had some votes down there. What about Toronto?

Mr. CUTLER: No, there is no union. So far as I know we are not in Ontario at all.

The CHAIRMAN: That is the only one where the A.F. of L. is in, so far as aluminum is concerned?

Mr. CUTLER: No, we are in Beauharnois.

Mr. COHEN: Do you give an indication later of the number of employees involved?

Mr. JOHNSON: Yes.

Many plants in important war work in Canada have established paid vacations of at least one week for workers with twelve months' service. The Aluminum Company of Canada Limited feels that its employees do not merit more than one day's paid vacation for the first year of service, and one day additional for each additional year. Should an employee happen to be hired in the middle of the year, he must work 18 months before receiving his one-day vacation.

It is true that the weather was very hot in July, 1941. But there is hot weather at Arvida every late spring, summer, and early fall. During this weather, it is not uncommon for pot-men to lose consciousness while working over the fierce heat of the pots. At such times, the bitterness of the employees and their dissatisfaction with the common injustices come readily to the surface.

Why, once the strike broke out in 1941, was it not possible to secure a settlement before the seven-day stoppage had resulted in the freezing of the pots and the loss of considerable production of precious aluminum for Canada's war effort? The answer is clear. An earlier settlement was impossible because there existed no legitimate labour organization which commanded the majority support of the employees and the recognition of the company and the authorities.

Had all these facts come before the Royal Commission, we feel certain the commission would not have ended the report by placing the blame entirely upon the weather, but would have understood the strike as the explosion of the workers' feelings, pent up for years, and now set off by the accumulation of grievances which were not being rectified.

Mr. P. E. Radley, Plant Superintendent at Arvida, has been quoted as saying about the Arvida strike: "I can't help feeling that the strike was a principal reason for the defeat of the Allies in the Libyan desert last year."

Mr. LALANDE: What is that quotation of Mr. Radley's taken from?

Mr. CUTLER: That was made by Mr. Radley before the government commissioner, at the investigation held on the 17th and 18th of December, 1942.



Mr. COHEN: The commission dealing with what?

Mr. JOHNSON: The application for a conciliation board in Arvida.

Mr. COHEN: As I understand it, the point you seek to make so far is that there was not adequate representation and organization of the men, so that nothing was done. That, you say, was the underlying cause of the Arvida strike?

Mr. JOHNSON: Yes, sir.

What is more important now is that the causes which underlay the 1941 strike are still with us at Arvida to-day, with this difference: some of the factors have been even further aggravated during the period which has intervened.

In the paragraphs which follow, we will endeavour to show that this is so, in a detailed fashion.

In the month of September, 1942, strike action was once more imminent at Arvida. Rumours went around that the men were preparing to go on strike for an increase in wages and for improved working conditions.

The CHAIRMAN: In connection with the statement that strike action was again imminent in September, 1942, is not this what took place: An application had been made to the Regional War Labour Board in Quebec for certain increases, and some increases had been given. Was it not your organization that expressed satisfaction in pamphlets about it?

Mr. CUTLER: Not in September, 1942. The aluminum workers had no charter or employees in Arvida. The charter was taken out in the month of November. I can remember September because there was a truck running through the plant distributing leaflets and circulars in French, telling the men to prepare for a strike and to "tear this up after reading it". This was carried on for two or three days, and finally the truck driver who had distributed these circulars was beaten up outside the plant by the millwrights, who considered this was a trouble maker. The brief deals with this later on. Our organization was not in Arvida at the time, although our organization had a considerable section of the construction workers, and many of us carried a card. I did myself, because I had been carrying it for four years, and there were many like Mr. Johnson and Mr. Brisson as well, but there were no meetings held, and there was no charter from the A.F. of L.

The CHAIRMAN: You mean that the Foundation Company was up there with a tremendous construction program, and I suppose so far as the construction industry was concerned it was largely A.F. of L.?

Mr. CUTLER: Yes, and there were a few others.

The CHAIRMAN: So far as the workers were concerned they were pretty well mixed. Arvida was full of construction men, and so was Chicoutimi, and other places you refer to as far as Shipshaw.

Mr. CUTLER: There were many plant employees who had formerly worked for plants like Vickers and Dominion Bridge, who had come in to our plant with their union cards, but there was no union set up in Arvida.

The CHAIRMAN: There was organization going on?

Mr. CUTLER: Not at that time; not in September.

Mr. COHEN: They came in with the cards of the particular craft unions of which they were members?

Mr. CUTLER: Yes. Many men had left Montreal during the depression and gone up to Arvida, and had taken out clearance cards and were not paying dues.

The CHAIRMAN: The point at the present time is whether the A.F. of L. was organizing the workers in September, 1942.

Mr. CUTLER: They were not.

Mr. COHEN: Did your union, or a group of employees who ultimately became the founders of your local, have anything to do with this incident that was spoken of, distributing leaflets or cards in the plant exhorting them to strike?

Mr. CUTLER: No, we did not.

Mr. JOHNSON:

At that time, a large construction project was in full swing at Arvida, as a means of enlarging the production facilities. Most of the men on the key construction crews were members of International unions affiliated with the American Federation of Labour, and these men became quite influential among the aluminum production workers in the plant. The production workers looked up to the construction men who were getting hourly rates anywhere from twenty to forty cents per hour higher than their own; these construction workers enjoyed such working conditions as time-and-a-half for overtime after eight hours daily, double time for work on Sundays and holidays, free transportation to and from work. Above all, the construction workers were able to establish joint labour-management machinery for handling the grievances of the workers.

I know there were many electrical installations being put in by the Comstock Company; their men would be getting around \$2 an hour for double time, and the company put aluminum workers on it at 65 cents to 75 cents an hour.

In one word, the construction trades at Arvida were well-organized; they had shop-stewards on the spot to represent them before the company, and even as these stewards realized their responsibility to their own fellow-workers, they were also conscious of a duty to the workers in the aluminum plant proper.

Upon the initiative of the stewards, a meeting of picked union members was held in the Ore Plant Section at which the folly of strike action was made clear, and a resolution embodying the following points was adopted:

1. To strike the Arvida plant was to hinder the war effort.
2. A work-stoppage would not necessarily result in the granting of higher wages and better conditions.
3. Conditions in the plant required the organization of a strong, representative and genuine labour union which could negotiate with the company freely and legitimately.

Mr. COHEN: When did this meeting take place?

Mr. CUTLER: The meeting was probably held in the third week in September, 1942. It was about the time the new taxes had come into force. I imagine it was about the 25th of September.

Mr. LALANDE: You refer to a meeting of "picked union members."

Mr. CUTLER: Shop stewards of the crafts. I think every craft was represented at that meeting.

Mr. LALANDE: These are the employees on the construction job?

Mr. CUTLER: Yes.

Mr. JOHNSON:

This resolution was made known to as many of the plant employees as it was possible to reach, and that it correctly reflected the feelings and desires of the mass of the employees was soon made clear; for only

three months later, over six thousand workers of Arvida had joined the ranks of the Aluminum Workers' Union, affiliated with the American Federation of Labour.

Mr. COHEN: Would they be production workers?

Mr. JOHNSON: Yes, sir, aluminum company workers.

Mr. LALANDE: That would be some time in December, 1942, you claim there were 6,000 workers?

Mr. JOHNSON: Yes, sir.

The company gave sign of its pleasure at this development by utilizing the very first opportunity to dismiss Mr. O. Bouchard who had become the union president. An investigation was subsequently held at which Mr. Philip Cutler, the A.F. of L. representative, was allowed to be present, and at which the company produced four reports as evidence against Mr. Bouchard.

The first report was to the effect that Bouchard had been too active in his A.F. of L. Union for the foreman's liking. When the union registered objections to such a stand, the company, realizing that it had erred in introducing such statements as "evidence", withdrew that section of the report from the record.

What remained was that our President was "incompetent". Charges were made that he "slept during working hours", was often "missing from his line of pots" and that he had a "bad record".

Mr. COHEN: That seems to be a qualification for presidents of the union. I remember in the National Steel Car Company case the president of the union was supposed to have slept on the job and was discharged for that reason. Is there anything in the office of president of the union that brings that condition about?

Mr. CUTLER: When the union is starting the company will do anything in its power to stop it.

Mr. JOHNSON:

The union was able to point out that Bouchard had been with the company for over five years, and had even been promoted to the position of assistant-foreman (line-helper). The company finally agreed to rehire Bouchard. But our President was to pay heavily at a later time for having joined the union and accepted office as its leader.

Early in December, 1942, the International Union of Aluminum Workers (Charter 22022) approached the company and asked for recognition as the bargaining agent for those workers who were in its membership. It was pointed out to the company that such a step was logical, since it would provide for the recognition of the organization representing the majority of the workers, would allow for the settlement of many serious grievances which were agitating our men, and would ultimately make for a greater production of aluminum.

The company refused. The union then applied for a Board of Conciliation and Arbitration under the Industrial Disputes Investigation Act, and the Department of Labour appointed Mr. Bernard Rose, K.C., a Commissioner, to investigate the situation at Arvida.

Mr. LALANDE: I take it the statement attributed to Mr. Radley would be made in the presence of Mr. Rose?

Mr. JOHNSON: Yes, sir.

On December 17, 1942, Commissioner Rose brought together the representatives of the Aluminum Company, the National Catholic Syndicates and the International Union of Aluminum Workers, at the



Arvida offices of the company. There the company explained that it could not recognize the Aluminum Workers' Union since it had a signed collective labour agreement with the National Catholic Syndicates which was recognized as the sole bargaining agent for all the employees.

It was pointed out to the company that in the terms of Order in Council P.C. 2685 the government urges all employers to enter into collective agreements, and it is furthermore stated that employees shall have the right to join the union of their choice. We declared that whereas the National Catholic Syndicates had shown the weakness of its position in 1941, during the strike, and now openly admitted that it represented only ten per cent of the employees in the plant (statement made before the Royal Commission), the International Union on the other hand, had the united support of the majority of the workers in the plant.

The company then made their position clear. Assuming that our claim was correct, they still wished not only to maintain the collective agreement which accorded sole bargaining rights to the Catholic Syndicates, but also to continue renewing this contract from year to year, automatically, without regard for the A.F. of L. Union. Here is what Plant Superintendent P. E. Radley had to say:

Even though a high pressure campaign with capable organizers might succeed in obtaining a temporary majority for the A.F. of L., we think that our workmen would still retain a certain loyalty towards what many of them consider their own labour union.

Mr. Radley's very sentimental statement leaves a few important things out of account. At least eighty per cent of the employees at Arvida cannot possibly retain a "loyalty" to an organization which entered into contract with the company before they came on the scene, —an organization which, though the company may recognize it, the great majority of the workers themselves have never recognized as their "own" union.

Perhaps the company superintendent was thinking of the plant foremen when he spoke of loyalty to the Syndicates. For it was the foremen, and not the rank and file workers who had used the Syndicates as a means of obtaining promotions and betterment.

Perhaps it was unintentional; but the fact remains that the company did grossly misrepresent the facts in their statements before Commissioner Rose. The "high pressure" organizers to whom Mr. Radley referred will bear examination. Let us see who they were:—

Mr. O. Bouchard, the Union President who has already been referred to,—a worker with years of experience in the plant, occupying the position of line-helper in the pot-room.

Mr. A. Johnson, the Union Vice-President, a gang-leader in the bus-bar department,—a man who has received the congratulations of plant superintendents for having one of the most outstanding production records.

Mr. L. J. Desbiens, the union's General Secretary, known as one of the company's most competent millwrights.

Mr. Dorval, one of the oldest employees in the company's service, who is a forge shop worker.

Mr. Philip Cutler, Steamfitter Charge Hand in the Ore Plant, who was elected by the local Union Council to the position of organizer and who left the company's employ in order to undertake this task. Mr. Cutler has since been elected an International Vice-President by

the convention of the International Council of Aluminum Workers and he serves as the Canadian representative of the A.F. of L. in the aluminum field.

Mr. A. Brisson, a locomotive engineer who enjoys the confidence of his superiors by virtue of his competence as a tradesman and his ability to bring about the settlement of grievances arising in his department.

Does the company consider it "unfair" that these men should turn out to be capable organizers? Each one of them had worked in the plant; they did not theorize about plant problems; they did not tilt at windmills. These men were and are an organic part of the army of eleven thousand workers engaged in the battle of production at Arvida, and they did not deserve to be separated from those whom they represented either by the words or the deeds of the company.

As for the character of our campaign, the slogan which most fully expressed our aims and which appeared on almost all of our periodical bulletins and leaflets read:—

100% PRODUCTION; 100% WORKING CONDITIONS;  
100% UNION RECOGNITION

If this may be called "high pressure" campaigning, then our government is committing the same sin in advancing the various slogans by means of which our national will to destroy the enemy is aroused.

Mr. LALANDE: What do you mean by 100 per cent union recognition? Do you mean by that you are seeking to obtain the sole bargaining agency?

Mr. JOHNSON: Yes.

Mr. LALANDE: That was your objective?

Mr. JOHNSON: Yes.

The CHAIRMAN: This matter is now in the position where there is to be a vote taken sometime before the end of this year?

Mr. CUTLER: November 15th.

Mr. LALANDE: The contract expires?

Mr. CUTLER: The contract expires in December. The vote is supposed to be taken on November 15th, 1943.

Mr. JOHNSON:

Or perhaps it is our program which strikes the management as "high pressure" . . . Let us see what was the program formulated by the plant employees at their meeting:—

Time-and-one-half after eight hours' work per day.

Time-and-one-half after forty-eight hours' work per week.

One week's vacation with pay after twelve months' service.

Recognized grievance committees for every department.

An adequate system of job classification providing equal pay for equal work.

Mr. COHEN: Those are the details of what you mean by 100 per cent union recognition?

Mr. JOHNSON: Yes, sir.

These reasonable and just conditions have been put into force in many plants across the country where production is not nearly as vital as it is at Arvida. Is the union's program immoderate, then, and does it deserve criticism as promising the moon to the workers?

The Catholic Syndicates, admitting flatly that they did not have a majority of the workers in their ranks, offered the following statement to the Commissioner:—

We know that pretty nearly 90 per cent of the men working here are French-Canadian Catholics, and we believe their spirit is with our organization, even if some are not actual members and are only sympathetic to our movement . . . They have been invited before, and they are invited today. We are always ready to represent them and work for them at any time.

It is not difficult to understand why the workers have forsaken the Catholic Syndicates. It is not hard to imagine with what vigour the Syndicates protected the interests of their members.

Mr. LALANDE: Is that a report of a verbal statement made before Mr. Rose?

Mr. CUTLER: It is a quotation.

Mr. LALANDE: Was it taken down in writing at that time?

Mr. CUTLER: Yes, we have a complete record of the verbal statements made before the commission.

Mr. LALANDE: You have?

Mr. CUTLER: Yes.

Mr. JOHNSON:

On the second day of the investigation conducted by Commissioner Rose, a telegram was received from the Hon. Humphrey Mitchell, Minister of Labour, quoting a telegram which he, in turn, had received from the Hon. Edgard Rochette, Provincial Minister of Labour at Quebec. The telegram read as follows:

Quoting for your information, telegram forwarded this morning. Hon. Humphrey Mitchell, Minister of Labour. Quote Have been advised by Aluminum Company Bernard Rose Conciliation Officer has been delegated to Arvida as investigation commissioner to establish vote determine collective bargaining agency. Strong protest hereby filed against such vote which would put aside legality existing agreement between Aluminum Company and local National Syndicates under Quebec Provincial Syndicates Act and further consented to under Collective Agreements Act Stop Cannot tolerate that legal agreement entered into as far back as 1937 and subsequently amended be considered as scrap of paper. Consequently urgently request direction be given Bernard Rose to limit intervention to investigation and not to compel vote Stop Reference is made my letter to you December 15th Unquote (signed) Edgar Rochette, Minister of Labour.

This telegram, coming as it did during the Commissioner's sitting, was plainly intended to deny to our union the right to benefit from any findings which the Commissioner might report to the Federal Minister of Labour on the basis of the evidence submitted; it was clearly an interference blocking the way to a just settlement of the real problems which had arisen at Arvida.

Here is the spectacle of a provincial minister trying to invalidate the Industrial Disputes Investigation Act.

Commissioner Rose stated that he would not be influenced in any way by this telegram, as he was subject to the orders of the Federal Minister of Labour only. He nevertheless held that the existing contract must be respected, asking the company representative if they would be



prepared to recognize the A.F. of L. Union as the representative organization for its members only, entitled to meet with the company for settlement of grievances arising among A.F. of L. Union members.

Mr. J. B. White, Director of Personnel, summed up for the comparison. "It does not seem to us any solution to jump from one group to another established group. We have entered into an agreement and the agreement stands now for over five years. So far as I know the way is open; if the majority of our employees wish, they can join the Syndicates, and they can elect new officials such as they now have in the A.F. of L. They can present their case and deal with us in that fashion. What stops them do not know; the way is open."

Mr. LALANDE: That is also a statement made before the commission?

Mr. JOHNSON: Yes.

Mr. White's statement is unique in the annals of labour-management relations, no doubt. It is probably the first time a company executive has ever gone on record before a government commission telling the majority of his employees what union they must join.

The Commissioner then decided that he would recommend a vote to be taken as between the two organizations, and informed us to that effect. A ballot was drawn up and accepted in writing by the representatives of the Catholic Syndicates and our own union.

This recommendation of a vote was never even allowed to reach the Minister of Labour at Ottawa.

The Aluminum Company and the Syndicates immediately got down to the business of making sure that the A.F. of L. Union would not win a majority vote. Every hall and hotel in the district which could be used for meetings was barred to us, regardless of the rental offered. While the company under a pretense of neutrality refused us the use of a hall in the company town of Arvida, the Syndicate held meetings in a building on the main street—a building on which the company holds a mortgage. We were finally successful in obtaining the use of a poolroom for Friday night meetings. The poolroom is located seven and a half miles from the plant.

Our union was publishing a newspaper under the name of "Aluminum-Homme". The Syndicates organizers threatened to drive out of business the printer who did our work. Our union bought and paid for a half-hour radio period on the C.B.C. station every Saturday night. The Syndicates were given three and sometimes four programs per week, paid for, it was said, by local firms. Their programs consisted almost entirely of attacks against the A.F. of L. as an organization which directly threatened the Catholic church.

We desire to give some space here to the religious question as it affected us. We wish to say at the outset that we have no quarrel with the Catholic church. On the contrary. Our membership consists, to the extent of 95 per cent, of Catholics, and our entire organization has only great admiration for Bishop G. E. Melançon of the Chicoutimi Diocese, a man of great intelligence, wisdom and tolerance. We may also say that for every priest that openly supported the Syndicates and attacked the A.F. of L., there were more whose conception of justice led them to leave the decision as to organizational representation up to the workers themselves whose daily toil and experiences in the plant are a sufficient guide to action.

The religious controversy which was permitted to intrude upon a purely secular matter, regrettable though it is, has not to any great extent affected our organization. But the effect of this additional strain upon the situation in the plant and upon production cannot be ignored.

By its action in holding up a vote which would have cleared the air, the Department of Labour created a forum for the use of certain elements who made use of it to stir up the population and to bring the district perilously close to a state of civil strife. That we were able to avert such an outcome, thanks are due mainly to the support for our stand of the overwhelming majority of the workers who never lost sight of the main issue.

At the request of the Catholic Syndicates, Rev. Father Omer Genest was sent into the Arvida region from Montreal. His was the specific task of starting an anti-Semitic campaign as the corollary of the general anti-union drive which was at its height. This propagation of anti-Semitism was calculated to do harm to our organization since the A.F. of L. does not practise discrimination against workers on the basis of their nationality, religion or racial origin.

Father Genest's first radio talk was made shortly after our Union President, thanks to the union's defense, was rehired by the company. Our President was insulted and criticized by Father Genest for permitting himself to be defended by a union representative who, although a Canadian by birth, was of the Jewish persuasion.

Mr. LALANDE: On what evidence do you suggest that Rev. Father Genest's task was to conduct an anti-Semitic campaign?

Mr. CUTLER: That was his task.

Mr. LALANDE: What is your specific evidence for making that statement?

Mr. CUTLER: I remember that after arriving in Arvida, the morning after the investigation had been carried on after our president had been fired.

Mr. LALANDE: I asked a specific question. I want to know on what evidence you base the statement that Rev. Father Genest was charged with a specific commission to conduct an anti-Semitic campaign.

Mr. CUTLER: Mr. Bouchard was rehired due to the efforts of his union, and the first speech made by Father Genest on the radio was criticizing Mr. Bouchard and other members of the International for allowing a union controlled by foreign Jews to be defended before the company. That was the main point brought out continually in any circular which appeared.

Mr. COHEN: Mr. Lalande's question is not so much as to what occurred; he asks you simply on what you base your statement. Is it your suggestion that he did so at the request of the Catholic Syndicates?

Mr. CUTLER: We know they asked for him, and it is on the basis of his activities in the last six months.

Mr. LALANDE: It is your own deduction?

Mr. CUTLER: Based on what has been said.

Mr. LALANDE: You have no evidence apart from what Father Genest has said?

Mr. CUTLER: No.

The far-reaching effect of this talk (which was passed by government censorship) was exemplified by an incident in one of the local hotels whose proprietor apologized profusely to an American tourist who remarked: "I didn't know this country was part of the Greater German Reich".

Father Genest's first radio speech was followed by others which even more frenzied. This priest admitted making special trips across country to check on the ancestry of our union officers. After returning from one of these trips, he told his audience that he was disappointed at being unable to trace the background of one of our officers, but explained that this was probably due to the fact that the person concerned "a Jew from New York".

We admit that the officer in question is not of pure Aryan blood.

These stunts were followed by articles which appeared in the *Pro du Saguenay*, a local newspaper. An active campaign was carried among the younger men of the region,—a campaign so fanatical that its course, paradise was promised to those who joined the Syndicate. Hell was clearly indicated for all members of the A.F. of L.

In certain churches in the region, entire sermons were devoted to harangues in favour of the Syndicates. At least one church earmarked the entire collection at the Sunday mass for the Syndicates, and gave the Syndicates membership card to each individual who contributed ten dollars or more when the plate went around.

The company, at one point, became seriously concerned when the Vaudreuil Recreation Hall, located on company property, was used for the celebration of Sunday mass. On that occasion, the employees who had attended at mass left the premises infuriated at having been tricked into a propaganda meeting when they intended to go to a religious service.

These methods failing to appeal to the workers, a final fling was attempted. Certain clergymen were asked to make a door-to-door canvass of the plant employees' homes, in order to get the wives of the workers to talk their menfolk into giving up their International Union membership card. Out of a total of well over six thousand membership cards in circulation, only 112 cards were yielded by this canvass.

Here is a typical case: In the village of Ste-Anne, one housewife tearfully told her husband that if he did not give up his union card, she would leave him, as the Parish Priest would never again enter their household. The husband gave up his card to his unhappy wife. The very next day he asked at our union office to be given a new card under an assumed name.

Because no success had so far crowned the efforts along these lines, the Syndicates now undertook a campaign of a different nature in which they mobilized the local businessmen and professionals. A circular letter was sent to firms in the region, asking them to support the Syndicates not only morally, but also financially.

Our union is curious to know whether the Aluminum Company which does business in the neighbourhood, received one of these letters; and if they did, whether they came to the aid of the Syndicates...

Special conferences were called in every town for miles around, in support of the Syndicates, and we must admit that some of these drew fair crowds,—but not of Aluminum workers who were conspicuous by their absence.

Here, the doctors, lawyers, merchants, salesmen and especially the school-teachers were treated to frenzied denunciations of the uncivilized, atheist, alien International Union. Results were not long in coming. Several school-teachers in their classes asked the young pupils to pray, not only for the success of the Syndicates, but also for their sinful fathers in the grip of the "communist" International Union.



One day, little Fleurette Bouchard, eleven years of age, came home crying to her mother that her schoolmates would not play with her, because the teacher had denounced her father for being president of the unholy International Union.

While these campaigns went on outside, within the plant a simultaneous attack was directed against our members. All foremen were handed quantities of Syndicate membership cards, and with these they approached the men during working hours, using their influence and prestige to get the men to sign up.

The electrical department of Ore Plant No. 1 provides an example: The men were called in one by one to the foreman's office. Each was asked if he was in favour of an increase in wages. If he answered "Yes," as almost all did, he was told to sign a Syndicate card right on the spot. To our knowledge, in this department, all but two workers signed; but they did not give up their A.F. of L. membership cards.

In the pot-rooms this plan was quite effective. The company was about to open several new pot-rooms. The foremen (who were canvassing for the Syndicates) were to decide which men would be promoted to the position of line-helper, or assistant-foreman, in the new shops.

At the height of this mass-coercion campaign, the Department of Labour informed the union that our books and records would have to be shown before a vote could be taken. Messrs. McCullagh and Wilson of the Industrial Relations Office admitted openly that their department wished to avoid the taking of a vote which was being protested by certain parties with no concern with the production of aluminium.

Mr. COHEN: This vote that you spoke of before is being recommended by commission which Mr. Rose held?

Mr. JOHNSON: Yes, sir.

The representatives of the company, the Syndicates and our union were brought together in Montreal at the offices of the Labour Department. Here, before a government official, we asked the company representatives whether, on the production of our books, showing a majority of their workers in our ranks, they would recognize our union. The company refused to give an affirmative answer.

We reported to our members at a special meeting held in an old broken-down theatre which we had finally succeeded in renting at Jonquière. Our membership voted against the showing of the union's books. It was considered that since the company would not agree to accept the consequences of the disclosure that we had a majority, there would be no point in exposing the members. Our members at this meeting also turned down a proposal that our organizer stay in Montreal for a period of weeks in order to check our membership lists with the company payroll. This was regarded as a ruse to play for time in the interests of the Syndicates for whom the foremen were busily canvassing every day, and forcing the men to sign membership cards.

In order that there should be no misunderstanding of our refusal to show the union's books, we finally determined to pass around a petition, on A.F. of L. letterheads, inviting the workers to sign their names to a request that a plant-wide vote be taken immediately.

Seven thousand and fifty-six employees had signed this petition when the union decided to halt its circulation for the following reasons:—

Foremen were tearing the petition lists out of the hands of our stewards and threatening to fire them. In one case, Jean-Marie Poirier, a steward in the pot-rooms, refused to give up his petition list on the grounds that it was his personal property. The foreman struck Poirier,

and as he fell, his list was grabbed from him. We know that Poirier's level-headed reasoning prevented a riot from breaking out the pot-room on that occasion.

As these incidents grew daily more common, the Central Council of our union directed the passing of the petition lists to be halted; the workers were asked to be patient, and a delegation went to Ottawa with the more than seven thousand signatures which we had secured. There we saw Messrs. Wilson and McCullagh, in the absence of Mr. M. Maclean. The Minister of Labour was too busy to see us; his Deputy Mr. MacNamara refused to grant us an interview.

Wilson and McCullagh refused even to look at our petition. The lists, these thousands of signatures which had been secured at such cost and in the face of such threats and dangers, were brushed aside by Wilson and McCullagh who said, by way of explanation, that "men will sign anything . . ."

Immediately after this slap in the face to our union, Mr. Charpentier of the Syndicates made the provocative public statement to the effect that "one would have to hit the men on the head in order to get them to strike." Whether he knew it or not, Charpentier was right. The men did not want to strike. They wanted to produce aluminum; and because of this, they were being denied justice.

But a great restlessness began to show itself among the workers. The word went around: "Never mind. Wait until the summer comes. The time it won't be a 1941 affair."

Our union's day-to-day attempts to secure the settlement of grievances, before the advent of hot weather, fell on deaf ears, for some time. Finally, the company did agree to meet committees of our union, and we put forward the following proposals:—

A recognized grievance committee should meet with the management—that is to say, with the superintendents, to settle grievances. Seniority should be recognized, according to ability and length of service. Time and-a-half should be paid on a basis of work done after eight hours daily and forty-eight hours weekly. A week's vacation with pay should be given workers with twelve months' service. A ten-cent general increase should be asked for jointly from the Regional War Labour Board, by the company and the union.

The company officials listened politely, but did nothing. On the other hand, the Syndicates attacked our demands as "outrageous". Radio talks at public meetings and leaflets "exposed" our demands as preposterous and as "wanting our bread with too much butter."

It was not clear beyond the possibility of contradiction whose game the Syndicates were playing. But strangely enough, only one month later every plank in our platform was adopted by the Syndicates and they made our program their own. They even submitted our demands to the Regional War Labour Board, in secret. As our union was growing strong enough to force concessions from the company, and as the objective situation would dictate that these concessions should be made by the company, the union's victories would be readily claimed as the achievements of the Syndicates.

Mr. LALANDE: You refer to secrecy in the application made to the Regional War Labour Board. Have you given a copy of this brief to the Syndicate?

Mr. CUTLER: Were they sent a copy?

Mr. LALANDE: Yes.

Mr. CUTLER: No, we have permission to distribute our literature, and it has all been distributed.

Mr. LANDE: Including this brief?

Mr. CUTLER: Yes, this brief has been handed to the representatives of the company.

Mr. COHEN: This is a brief which is being presented to a public hearing. Lande is speaking about secrecy.

Mr. LANDE: Has the brief been handed to the company?

Mr. CUTLER: Yes.

Mr. JOHNSON:

In this way, grievance committees were established—something which the Syndicates, in their six years' relationship with the company, had never proposed. Increases — hitherto unheard of — were sprinkled about in various departments, during the months of March, April and May.

For example, in the plant railroad, out of 150 employees, the Syndicate could claim only three members. Yet after our railroad stewards and the general organizer had negotiated a readjustment of wages in the company office, the Syndicate was johnny-on-the-spot to claim the credit!

In another case, the company had decided to put into effect a stagger-shift system which was in no way necessary and which would have only occasioned inconvenience to the men concerned, making it necessary for them to get up at 4 a.m. in some cases, and to get home to sleep at 3 a.m. in other cases.

Our union representative met with the plant superintendent and warned him that the entire plant was up in arms against the introduction of this new system, and that the union would definitely stand with the men in fighting the change. The change was due to begin within 48 hours. That same night, the company announced over the local radio station that the shifts would not change, after all, since the Syndicates had protested against the new plan.

The giving of a few raises here and there had only increased the tension and dissatisfaction in the plant. Friction was increasing over many abuses which were still uncorrected; the foremen were on the war-path again, handing out punishment in the form of forced lay-offs on the most ridiculous reason . . . A man broke a sledge-hammer handle; value: 35 cents. Punishment for this was a one day lay-off. Another worker remarked that the three-day lay-off meted out to a fellow-worker was "a bit stiff". For thus speaking out, he was himself given a three-day lay-off.

In one pot-room one of our members had replied to the taunt of a Syndicate partizan who called him "Communist" by kicking his behind; in reprisal, one of our members was severely beaten up in a restaurant in Chicoutimi by three thugs who said they were Syndicate members. Our entire membership was on the point of open revolt when fire was set to the union's hall in Jonquière. On that occasion, the Syndicate did not claim the credit.

The hot weather was setting in once more. Men began coming to work with extra rations to serve them if a stay-in strike were to develop. Finally, one day, 150 men refused to start work on the railroad morning shift. This was dangerous. The temporary strike threatened to spread to the entire plant.

When the company superintendents were faced with this critical situation they did not turn to the miracle-working Syndicates whose scant influence among the men was well-known to them. A call was put in to the union office and our representative was invited to come down to "handle" the incident. Our representative spoke to the men, promised



to see to the rectification of their grievance, and urged them to get on with their work. As a result, two of our union officers were asked to take time off at the company's expense and to draw up a plan whereby the grievance of these particular workers would be eliminated.

Mr. COHEN: Who was the representative of the union who spoke to the men?

Mr. JOHNSON: Mr. Brisson.

This was indeed a narrow escape, but other grievances, all over the plant, were threatening production with the same consequence. We know that at the time of the outbreak of strike in 1941 there was less evidence of the development of the crisis than was now to be seen everywhere.

Our union formed an emergency committee. The company was asked to meet our union committee within seventy-two hours; during this period, two company officials approached the union Vice-President, Mr. Johnson, and he was brought before the Acting Plant Superintendent, Mr. Skelton, who gave him the following message to take back to the union's emergency committee:

He, Mr. Skelton, was prepared to use his position to recommend to the head office of the company that the government be permitted to take a vote at the plant, providing that the union would agree in writing that, failing to obtain a majority of the ballots cast, they would send back their Charter for the duration of the war and cease all activities at the plant. There would be no negotiations with the union until such a vote had been taken.

Mr. COHEN: When was this suggestion made?

Mr. CUTLER: About twenty-four hours before the ultimatum ended.

Mr. COHEN: That does not tell me anything.

Mr. CUTLER: That would be the 14th of March, 1943.

Mr. JOHNSON:

Johnson brought this message to a special meeting of the Union Committee, and it was agreed to by the committee. The following day, Johnson and Cutler, representing the union, met with several company officials, and our acceptance of Mr. Skelton's proposals was made known to them.

The company thereupon asked us to tell the workers that they must wait twenty-four hours before taking any action. The company made it possible for us to obtain the radio-time necessary to inform our members to this effect.

The following day, Mr. Trepanier, the Federal Labour Conciliator, arrived on the scene. His arrival stopped the dispatch of a letter which had been drawn up by Acting Superintendent Skelton and which contained a complete reversal of the position he took in his conversation with Johnson and Cutler one day earlier.

Mr. Skelton had sought to play a great and masterful trick on the officials of the union. What he has actually accomplished is the undermining of what remained of confidence in the management on the part of the Arvida workers; what he accomplished was the delivery of a body-blow to labour-management co-operation at Arvida.

Your Board, Mr. Chairman, is doubtless aware of the compromise which was subsequently effected by Mr. Trepanier as among the company, the union and the National Catholic Syndicates. Briefly, the parties drew up a memorandum which provided that the A.F. of L. respects the present contract until the date of its expiration in December of this

present year, and our representatives would participate in a parity committee which was established. The opinion and union affiliation of every member was to be respected. On or about the 15th of November, next, a vote is to be taken at the plant. The body which receives the majority is to have full bargaining rights in the drawing up and signature of a new collective agreement for the ensuing year.

Mr. LALANDE: Is that compromise, as you call it, recorded anywhere?

Mr. CUTLER: Yes, sir.

Mr. COHEN: Can you file a copy of that memorandum?

Mr. CUTLER: Yes, sir.

Mr. COHEN: Will you do so, with the secretary of the Board?

Mr. CUTLER: Yes.

Mr. JOHNSON:

Our organization took this compromise before two membership meetings where our members accepted it in the interest of securing the establishment of peace in the plant. The company, although they hesitated, and affixed their signature at the very last minute, have since shown good faith by publishing the materials concerned in the compromise arrangement in the company paper. In a special article written for this paper by Superintendent Radley, special emphasis is given to the point that any worker may join the union of his choice, and no foreman may in any way influence or intimidate the employee in making a decision.

The Syndicates did not bring the compromise before their members. Without their membership's knowledge, they submitted a memorandum to the Conciliator stating that as "good citizens, they would obey the existing laws." They have since issued statements which deny that they have signed as a party to the compromise.

The CHAIRMAN: That will show who signed for the participants?

Mr. CUTLER: Yes, the compromise consisted of three signed letters to be submitted to the conciliator. A copy of each was given to each party.

Mr. JOHNSON:

Mr. Chairman and Gentlemen of the Board: If this brief has not been very brief, we can only excuse ourselves on the grounds that we have tried to present the facts, and they are, as you have heard, full and many. Before we close, there are a few observations which we desire to make:—

The freedom to organize, the freedom of workers to join the union of their choice is an integral part of the great and all-inclusive freedom for which the men and women of this land are working and fighting. Yet in our experiences at Arvida, we have seen how members of our union were taken into custody by the R.C.M.P., questioned for three hours at a stretch, and subjected to arguments which were intended to discourage them from continuing as members of the union.

The Aluminum Company employs a police staff which brags that it can locate any officer of our union in twenty minutes—twenty-four hours a day . . . This police force is commonly known among the workers as the Gestapo. A fine tribute to the technique by which our all-important production of aluminum for freedom is safeguarded!

Our government has committed itself to the fostering of national unity as the prime prerequisite of our national struggle against the Fascist enemy. Yet at Arvida, frankly subversive elements were permitted to work, right out in the open, at their decisive worst, to stir up race hatred, violence and downright terrorism in order to aid those who would shackle the workingman.

The government is late at Arvida. We hope that the hesitancy which has until now characterized its efforts will not permit the introduction of yet another factor which threatens, and which would bring about a repetition, on a more dangerous scale, of the tragedy which we witnessed at the time of the Tramways strike in Montreal not long ago.

Our A.F. of L. Union has been more than patient. But the restlessness which becomes more and more acute as the weather becomes warmer, adding to the infernal heat in which so many of the aluminum workers daily labour—that restlessness is growing. What is to prevent the arrival at Arvida of a demagogic organization which will place the welfare of our nation second to the consideration of scoring victories . . . Such an organization would not urge patience; it would urge “action”. The production of aluminum has been foremost in our minds. Would it retain that place in the minds of another group?

We ask you to consider the facts. The present contract which still accords sole bargaining rights to the Catholic Syndicates is the same agreement which existed when the production-crippling strike of 1941 broke out. It is the same contract which was in effect during 1942, when the company had to hire a total of 19,000 workers during the twelve-month period, in order to maintain 9,000 at production. Under this contract, the single railway line of the Canadian National Railways brings hundreds of new workers to Arvida daily, only to take away from Arvida, on the same day, the hundreds who quit in disgust with the unbearable conditions which still exist.

Your Board has heard many briefs. Through almost all of them has run the thread which may be referred to as approval of the collective bargaining principle. We ask you to bear in mind that Arvida, that important fortress of the United Nations has not admitted that principle within its limits.

We are afraid for production at Arvida this summer. Even as we prepare this document, the situation is tense. We consider that a vote to clear the air at Arvida and to reassure the workers that they have not been forgotten,—such a vote cannot be held too soon, and the body emerging victorious from such a vote must be given the opportunity, free of tricks and strategic reservations, to meet with the company and draw up a charter which will guarantee to the workers that their rights are secure and, at the same time, provide for the security of this vital source of aluminum whose loss, even temporarily, would outweigh the loss of many divisions at the front.

Arvida can and must make a greater contribution to the victory for which we all strive. Let no one underrate this plant by a passivity which may prove disastrous. Let no one be given the means for making a slanderous attack upon the good people, the good soldiers, the good, solid, self-sacrificing French-Canadian people of the Lac St.-Jean district, who want to feel that they are indeed partners in the great struggle, and partners in the great unity through which that struggle will be won.

Mr. LALANDE: The fact is that you have agreed to stand by until this vote on November 15th? That is the situation?

Mr. CUTLER: Mr. Brisson may refer to that. There was something which occurred a day or two before he left.

Mr. LALANDE: As to this paragraph that was consented to by your organization, you refer to a parity committee. What is your understanding of the nature of that committee?



Mr. CUTLER: A parity committee, as we understand it, is one set up to represent equal numbers of the employees of the company in order to see that the clauses in the agreement are adhered to.

Mr. COHEN: In what agreement?

Mr. CUTLER: Between the National Catholic Syndicate and the Aluminum Company.

Mr. LALANDE: You say "our representative," which I take to be your representative?

Mr. CUTLER: Yes.

Mr. LALANDE: Will participate in the parity committee which was established

The CHAIRMAN: They are carrying on now. This is in anticipation of the vote which will come later?

Mr. CUTLER: Yes. We participated as a non-contracting party, representing those employees not part of the National Catholic Syndicate. The Syndicate had six representatives, the company eight and the International two. The conciliator after listening to our side of the story submitted this compromise. There was a provision that the company would abide by the rights of their employees to join the union of their choice, that the company would definitely see to it that discrimination on the part of the foremen would cease. I might say to the board that at one time I was in touch with the superintendent of the plant, and I told him I would like to see him with regard to the foreman of the creolite department, who had been discriminating against some of our men. Mr. Radley replied that this had already come to his attention and he had done something about it. I think the Board will understand this plant is huge and spreads for miles. No sooner do we clear up one situation in one department than something crops up in another, and it keeps going all through the plant. One situation existed in the pot-room—

Mr. LALANDE: Speaking for myself, we told Mr. Larose and Mr. Labelle, who wanted to submit a grievance in connection with the Quebec Arsenals, that sitting as a general inquiry it would be rather difficult for us to go into grievances in a particular plant.

Mr. CUTLER: The company had agreed to this, and within twenty-four hours we saw that the company in no way intended to respect this agreement. The plant foremen continued their habitual practice of handing syndicate cards to the men. Finally the company did publish the three letters in their official magazine. Our two representatives on the parity committee had fourteen grievances for the parity committee to take up with the company as the sole bargaining agent for over 11,000 employees. They simply ignored the fact that on Wednesday 300 men had refused to work and stayed in the plant. The parity committee is no longer taking care of the grievances, and other machinery has been set up.

Mr. COHEN: Proposed by whom?

Mr. CUTLER: A syndicate man proposed it, seconded by another syndicate man. Our two delegates voted against it but they were overwhelmed. This new arrangement called for a committee to be formed in each shop composed of a syndicate representative, an engineer for the company, and now we can in no way protect the members of the International Union. We are denied the opportunity to bring their views to the committee. No sooner do we get representation on this parity committee than this change is made, and we have no way of bringing grievances to the attention of those who are there to see that the agreement is lived up to.

This is only one of the long string of events which have taken place in Arvida. These problems have never been in any way settled by any authority. They are pushed aside and come back again. Our submission that we should receive recognition as the bargaining agency for our members was submitted before the syndicate contract was terminated, and while the government was dealing with the matter the company and the syndicate came together and signed a contract for a full year, without any of the membership of the syndicate being called or knowing anything about it. This was submitted to the provincial Minister of Labour and fifteen days later the representative of the syndicate tells the employees the agreement has been signed fifteen days back. This goes on at the same time as the government is studying the position.

Mr. LALANDE: The question of representation is to come up in November, and you told me a moment ago that you were going to stand by until the 15th November?

The CHAIRMAN: But he says while standing by this agreement has been violated.

Mr. CUTLER: This understanding has been violated, and it makes us see that this compromise can never work out.

Mr. LALANDE: Is that understanding incorporated in the memorandum which you are to file?

Mr. CUTLER: Yes.

The CHAIRMAN: You can send that to the secretary by mail.

Mr. CUTLER: We have always been at a loss to understand for what reason the report made by the commissioner and signed by the company, the syndicate and the international representatives, was never submitted to Mr. MacLean, as he told me some time later. We were under the impression this vote was to be taken. It never came about. Something had happened to change their decision. The experience of our union has convinced us that the only way to clear that problem is to take the vote, and on the basis of the majority organization allow these workers to negotiate with the company. These men producing forty per cent of the aluminum should know why they have to work forty hours for straight time, work New Year's day and other holidays. They should also know why the company is giving everything to the syndicate at the expense of the international. We carry over eighty per cent in our organization, and there is twenty per cent coming and going. They cannot stand the gaff in the pot-room. We get after the company for a five cent increase in wages and immediately this is gained the syndicate gets the credit and they cannot count one hundred out of the 3,000 employees. At the same time every department is submitting briefs, and by a strange coincidence every department receiving—

Mr. COHEN: I take it the point you are making in your recital is that all these conditions are creating a situation of unrest, and that is one of the matters this inquiry was instituted to look into.

Mr. CUTLER: That is right. We ask the board to realize that when this agreement was signed in good faith we expected all parties to live up to it. This has been violated from the day it was signed. Why cannot this vote be taken immediately? This contract in 1937 was signed on behalf of 1,800 members, of which 1,000 are still in Arvida. To-day there are 11,000 employees, and the company has spent thousands of dollars sending men across the country to bring men in as a patriotic gesture for aluminum production, claiming to give them fair wages and working conditions. They never tell them they must come in on a contract with the Catholic Syndicate. Is it necessary to maintain a contract made with 1,800 men for 11,000 men, ninety per cent of whom were not there when the contract was made? They were never consulted.

Mr. COHEN: I do not think one is impressed by the argument that the workers were not there when the contract was signed. As a plant expands, necessarily you are going to have new workers coming in. As to whether they have identified themselves with the union which had the contract or with others, the question is whether they have identified themselves with that self-perpetuating contract which you say was signed in 1937.

Mr. CUTLER: We feel that had a vote been taken when it was requested at the termination of the 1941-1942 contract the proof would have been the votes cast before the new contract was entered into. We feel it was an unfair practice to sign the further contract for another year.

Mr. COHEN: It is important that you should know that this board is not in a position—I do not know whether it has any authority—to deal with any specific issue between employer and employee. If this situation is the cause of labour unrest it seems to me it is relevant, and for that reason I think that is what your remarks should be directed to. If this violation you speak of is creating a serious condition of labour unrest, then it is a matter which is pertinent.

Mr. CUTLER: I was under the impression the Board would be interested in knowing that the present laws of the federal government in dealing with labour problems, if they permit such things to come about, must have something wrong with them. Surely what happened at Arvida can happen across the country. You have an Industrial Disputes Investigation Act, but what is the use of having it if while the investigation is being carried on you can have somebody else take away the power of the investigation and sign a contract for a year? It was my understanding that the Board was interested.

Mr. COHEN: There is no question about that; we are interested in the general implication of these particular circumstances, and I was inviting you to elaborate on it from that angle.

The CHAIRMAN: Have you anything to add, Mr. Brisson?

Mr. BRISSON: No.

Mr. JOHNSON: Would you not call 347 men staying off the day shift, labour unrest?

The CHAIRMAN: I do not think you quite understand. It is not a part of this general inquiry to deal with the matter of 347 men in a particular plant. We are making a study of the whole situation from the point of view of what may be done to clarify some situations that have come about, in a general way. We have no authority in this inquiry to deal with a particular question.

Mr. JOHNSON: You do not take in the production of aluminum?

Mr. COHEN: I do not follow your question.

Mr. JOHNSON: When these men do not come to work it means the pot-room cannot be tapped.

Mr. COHEN: We understand that. If you desire to emphasize it further you are at liberty to do so. You are emphasizing the fact that as the result of inadequacies in existing legislation, the compromise agreement was violated and labour unrest exists with possible serious consequences in Arvida. We are interested in that in a general way at this time, but we cannot be asked to pass on a specific dispute. I take it that is the situation you wish to draw attention to in your second last paragraph, when you say "We are afraid for production at Arvida this summer". I take it that is the situation you desire to bring before this Board, and to indicate that it results from the evidence you have given us.

Mr. JOHNSON: I would like to add these fourteen grievances were sent to Mr. Trepanier, and he never acknowledged the receipt.

Mr. COHEN: I do not know what Mr. Trepanier can do in connection with that.



Mr. JOHNSON: When we signed the agreement Mr. Trepanier told us he would engage with the company to settle these differences.

Mr. COHEN: You mean it was agreed, as part of this parity committee, that Mr. Trepanier would assist in solving disputes?

Mr. JOHNSON: Yes.

Mr. COHEN: And you say that despite that, when you sent fourteen grievances to Mr. Trepanier you received no acknowledgement?

Mr. JOHNSON: Yes.

Mr. BRISSON: We took off three points of this agreement. We had the three that are signed by the company. They were taken off the agreement.

Mr. CUTLER: Three points by the parity committee.

Mr. COHEN: What is this circular you are handing up?

Mr. CUTLER: That contains the three points of the compromise submitted by Mr. Trepanier.

Mr. LALANDE: What we are interested in is the final memorandum.

Mr. CUTLER: It will be sent to the Board as soon as possible. The first point is that the International Union will send two representatives to the parity committee to govern the existing contract; and the second is that a vote will be taken on the 15th of November, 1943, to determine which union will maintain sole bargaining rights for the ensuing year. The third was that until that date all employees' union affiliations would be respected. That was the wording of the conciliator. I can understand this board is not the place to come to make an appeal on the decision of some other body, but what we are trying to point out is that we have followed quite closely these proceedings, and the different briefs that have been presented to you. We find that in every instance the briefs have endorsed collective bargaining.

Mr. COHEN: Not all of them.

Mr. CUTLER: Those that came to our attention did. We find that some wish to go much farther, and some not quite so far, in furthering collective bargaining. We represent one of the largest industries in Canada, one which is recognized as most important, and yet we cannot receive fair collective bargaining. There would always be a loophole in Arvida for some outside issue to avoid giving the International Union a fair chance for collective bargaining with the employers.

Mr. LALANDE: You say you have been organizing since last fall?

Mr. CUTLER: Yes, we have been organizing since last fall.

The CHAIRMAN: What we are asking you to do is to make some recommendation for a simple and understandable code with respect to collective bargaining and reasonable and necessarily rapid machinery to take care of the situation.

Mr. CUTLER: That would be wonderful.

Mr. JOHNSON: This committee was composed of eight—

Mr. COHEN: We have been told that before—eight for the company, six for the syndicate, and two for the International Union.

Mr. JOHNSON: Yes.

The CHAIRMAN: Thank you.

Mr. Pyle has a brief which is to be read into the record.

Mr. PYLE: Mr. Adrien Villeneuve, Grand Lodge Representative, International Association of Machinists, is unable to be here to-day, and has asked that this brief be presented:

*Brief submitted to the National War Labour Board by the Metal Trades Council of Sorel, Quebec. International Unions.*  
Gentlemen:

The story of Sorel and its part in Canada's war effort is the story of a volcano that has been growling and rumbling for the past two years, and now threatens to erupt at any moment.

It is a story of delay and procrastination, of democracy trampled underfoot, of violence and intimidation, of the denial of common justice. It is the story of the downtrodden, forgotten one-third of Canada's population, the French Canadians.

Some two years ago, the International Unions set themselves the task of organizing the workers of Sorel. Recognition of the fact that the Sorel workers could be won for an all-out war effort on the basis of equality in wage rates and working conditions with the workers in other parts of the country was contained in our slogan "Equality for Quebec". Recognition of the fact that labour-management co-operation is the way to national unity and maximum production was incorporated in our slogan. "100 per cent organization means 100 per cent production." Ours was a "win the war" program of co-operation with the management and the government. We might have expected some help from the government and the employers; we get a kick in the face instead.

Our first headquarters, the house of a union man, who was fired for his union activity, was broken into. The union cards and the money for the initiation fees were stolen. The organizer's car was upset in the middle of the street during the night.

Halls were denied us. Appeals to the government departments and to M. Cardin, the representative for that district and, at that time, a Cabinet minister, were of no avail. The city council was not free even to let us have the use of the city hall. Meetings called in the halls of religious institutions were cancelled at the last minute. Finally, on the calling of a meeting in the public park, when ten thousand citizens of Sorel turned up, we arrived to find that the park benches had been newly painted that day, and the lights had mysteriously broken down that night.

This intimidation and violence has gone on unchecked even to this day, reaching its height lately, when it resulted in the death of a Sorel worker, one of a number who tried to take over a meeting called by the Metal Trades Council of Sorel. So much for the story of violation of law and order in attempts to prevent organization in Sorel.

It was during this period that the government commission, under the chairmanship of Senator Gouin conducted the hearings into the shipyard situation on the Great Lakes and the St. Lawrence River. A perusal of the evidence taken at these hearings will tell how the International Union representatives appeared before the Commission to plead the case of the low-paid shipyard workers of Quebec, and to urge the Commission, in the interests of the war effort to recommend the equalization of wage rates with those prevailing, in other parts of the country. "How," asked the union representative, "can you expect to get the full co-operation of the Quebec workers, and how can you build national unity on the basis of rates that are as much as thirty cents (\$0.30) an hour lower on the St. Lawrence than in Vancouver?" The Commission did not heed us.

On the basis of the report of this Commission, Order in Council P.C. 629 was passed, perpetuating a wage differential of ten cents (\$0.10) an hour between the wages to be paid on the Great Lakes and those paid in Sorel.

What a weapon the government placed in the hands of the Fascists in Quebec. How eagerly they grasped it. How simple it was to explain to the workers of Sorel that they are considered an inferior race by the government. So this is British justice; this is the democracy they ask you to fight for. How foolish we International organizers appear when we ask the workers of Sorel to give of their best in the interests of the war effort.

Everything else having failed to dampen the ardour of the Sorel shipyard workers for the International Unions, the National Catholic Syndicates backed by the company then took a hand in the affair. Their splitting tactics were of no avail.

Around the 10th of September, 1942, the government announced that a vote on bargaining rights would be taken in the shipyard. The Syndicates were afraid to have their name on the ballot, so weak were they, and the management was finally compelled to open negotiations. During the time that negotiations were proceeding, a "company union" was set up. This attempt at disruption was not more successful than the other had proved to be, and an agreement was finally signed on November 25th, 1942, to come into effect on the day that a vote would show the International Unions as representing a majority of the workers.

Strange as it may seem, despite the provocation and intimidation, despite the anti-union attitude of the company and the interference of the Syndicates and the Company Union, despite the lack of responsibility shown by the Labour Department, the inquiries, the delays, and the down-right procrastination which has characterized every attempt to bring order out of chaos, the workers of Sorel have stuck to their unions even to this date, finally demonstrating their will in a vote taken on December 9th, 1942, in which they piled up a majority for the International Unions.

The sad and tragic tale goes on. On January 19th, 1943, the National War Labour Board was asked to authorize Vickers shipyard rates for the workers in the Sorel yard. Correspondence between Mr. Neilson of the National Board and the Union has been passing back and forth ever since. This submission was later changed to one asking for rates approximately five cents (\$0.05) lower than the Vickers rates, because this new presentation could be made jointly with the management of Marine Industries. This is where the matter stands at the moment. We are as far ahead now as when we started our campaign two years ago, except that the workers of Sorel have had their faith in the government destroyed, and are rapidly coming to the conclusion that patriotism does not pay, and that the solution of their problem lies along the line pursued by unscrupulous adventurers who have been rewarded for crippling the war effort.

### *The Second Chapter*

The workers of Sorel Industries are organized in the International Union (A.F. of L.).

On December 30th, a draft agreement was mailed to Sorel Industries Management with the request that negotiations be started for a collective agreement. There was no answer.

On January 14th, 1943, a letter was sent to the management stating that unless an answer was forthcoming by the 28th of January, that the Union would be left no alternative than to apply for a Board of Conciliation.

On January 25th, 1943, a letter was received from the management to the effect that our communications would be submitted to Mr. E. Sinard, president of the company on his return, which was to be expected in a week or ten days.



On February 13th, another letter was sent to the manager, asking if Mr. Simard had made any arrangements with regard to the opening of negotiations. There was no answer.

On February 27th, a work stoppage of forty-five (45) minutes took place to protest the delays.

On March 1st, two of the Negotiating Committee of the Union were fired.

On March 4th, the Negotiating Committee met the management on this matter, and one of these men was reinstated.

On March 10th, the union asked the Labour Department to have the matter investigated with a view to having the other worker reinstated.

On March 11th, Mr. Trepanier was appointed to look into this matter. No favourable results were obtained.

On March 12th, the company addressed a leaflet to the workers regarding the firings, and the intention of the management to negotiate with the Union Committee. Negotiations were blocked by one Bignell, at that time posing as a head of the Union, but in our opinion, an agent of the company or the Catholic Syndicates.

On March 14th, Bignell called a meeting and tried to swing the organization into the Syndicates. He had no success.

On March 15th, the Union again requested the company to open negotiations.

On March 16th, the National Catholic Syndicates asked the company to open negotiations with them, the Syndicates.

On March 17th, the company refused all negotiations on the plea that the matter of representation must be decided.

On March 20th, the International Unions requested the Labour Department to order a vote on representation, or bargaining rights.

On March 23rd, Mr. Pepin of the Conciliation Service of the Department of Labour investigated. The result of the investigation was a recommendation to the International Unions that they apply for the setting up of a Board of Conciliation.

On March 29th, Mr. Villeneuve, International officer of the Machinists Union and representing the Sorel Unions wrote the Minister of Labour asking him to use his good offices to see that a vote was taken quoting that part of the Industrial Disputes Investigation Act which permits him to do so (Paragraph 16) (Chapter 112), at the same time, informing the minister that application was being made for a Board of Conciliation.

On April 1st, a letter was received from Mr. M. M. MacLean of the Labour Department to the effect that unless the Catholic Syndicates agreed to a ballot, that no vote could be taken.

On April 2nd, application was made for the setting up of a Board of Conciliation.

On April 5th, the department wrote asking that some changes be made in the application.

On April 10th, the new application was made.

On April 15th, the Labour Department informed the Unions that they would have to get authorization to strike before the application could be considered.

On April 17th, application was returned with authorization to strike set forth.

On April 20th, Mr. Rose of the Labour Department was appointed commissioner to investigate the matter.

On April 29th, a meeting of the representatives of the International Unions, the National Catholic Syndicates and the company was held in the office of Mr. Rose. Here the management agreed to negotiate with the union having the support of the majority of the workers. Again the Syndicates were asked to agree to a vote, and again they refused. And so no vote can be taken. And so no Board of Conciliation can be set up according to the Labour Department. And so the Labour Department slides out from under its responsibilities.

What is left for us, gentlemen? Strike?

The International Unions are pledged to a no-strike policy, for the duration of the war. That pledge is sacred, and our record in this respect is unsurpassed.

Now we are called upon to make a grave decision. Shall we break our most solemn word? We can avoid this by telling the workers (as the Labour Department does) that our responsibilities end here, and that they are now on their own.

We can drop the issue and leave the worker under the leadership of an organization which has consistently pursued a policy of limiting the war effort. (read their literature.)

We can forget our responsibilities in regard to the war effort as the company and the government have done.

Our workers are fed up. They are demanding a showdown. Our organizers are sick at heart. Something must be done, and it must be done quickly, for the volcano is about to erupt.

This Country needs Labour Legislation.

We need a Labour Act which will permit the speedy settlement of disputes between unions on the basis of a vote of the workers concerned.

We need an Act which will outlaw company unions.

We need legislation which will permit the raising of substandard wages to levels compatible with a healthy standard of living.

We need an Act which will force the companies to negotiate with their organized workers.

We need a new Minister of Labour. We need Joint Production Committees in our plants.

National Unity demands all this.

Our very national existence demands it.

We hope you gentlemen can help us attain it. Side Note. N.B. Since May 10th a Board of Conciliation has been granted. This has saved the situation for the moment.

Mr. COHEN: Would you mind communicating with the person who furnished you with this brief and see if you can obtain a copy of the letter of the 1st April, 1943, referred to on page 5?

Mr. PYLE: Do you wish it to go into the record?

Mr. COHEN: Yes.

OTTAWA, April 1, 1943

Mr. A. VILLENEUVE,  
Organizer for the International  
Association of Machinists and the  
Metal Trades Council,  
1502 St. Catharine St. W.,  
Montreal, Quebec.

Dear Sir,—

*Re: Sorel Industries, Limited.*

Your letter of the 29th ultimo addressed to the Honourable Humphrey Mitchell has been transferred to the attention of the undersigned for reply.

I have noted your remarks in regard to the refusal of the National Catholic Syndicate of Sorel Industries to participate in the taking of a representation vote among the employees of the company. Consideration has been given to your proposal that the minister should take action in regard to this dispute under section 66 of the Industrial Disputes Investigation Act. Although this section of the statute empowers the minister to cause such steps to be taken by departmental officers as seem calculated to secure industrial peace, the minister has no power to compel any party to a dispute to take such action as the department might deem advisable in order to promote conditions favourable to a settlement of any dispute. It follows that we have no authority to force the National Catholic Syndicate to co-operate in a ballot.

You will agree, I am sure, that no permanent settlement of this dispute would be brought about by the supervision of a ballot unless the Syndicate was named on the ballot and gave its full and free co-operation in the voting procedure. It appears, therefore, that no good purpose would be served by involving the limited powers of the minister under section 66 of the Act. Your organization is, of course, free to make application for the establishment of a Board of Conciliation and Investigation, and I note that you are already preparing an application.

Yours very truly,

DIRECTOR OF INDUSTRIAL RELATIONS.

(M. M. Maclean).

Copy of the information of Mr. R. Trepanier

Industrial Relations officer  
Department of Labour  
Room 706, Confederation Bldg.,  
1253 McGill College Avenue,  
Montreal, Que.

The CHAIRMAN: We will adjourn to 10.30 a.m. June 2nd, 1943.

Hearing adjourned until Wednesday, June 2nd, 1943, at 10.30 a.m.



Pursuant to adjournment the hearing was resumed at 10.30 a.m., Wednesday, June 2, 1943.

The CHAIRMAN: All right, Mr. Adams.

Mr. J. C. ADAMS, K.C., (Central Ontario Industrial Relations Institute): Mr. Chairman and members of the Board, the brief we desire to submit is as follows:

Central Ontario Industrial Relations Institute is grateful for the opportunity of presenting its views to you on the questions which you have indicated as the proper topics for discussion during the course of this public inquiry.

We would also like to commend the action of the National War Labour Board in instituting this inquiry.

We believe that your action is most timely, and calculated to encourage a greater spirit of co-operation between all persons who are affected by the administration of the various regulations and controls with which you are concerned.

We should like to explain briefly at this point that Central Ontario Industrial Relations Institute is a new organization of employers created for the express purpose of establishing, promoting and maintaining harmonious relationships between employers and employees.

Membership in the Institute is limited to those employers who are willing to subscribe to the general policy of the Institute which requires members to—

- (a) recognize the right of their employees to join any trade union or other association of employees whose objects and purposes are not anti-social;
- (b) undertake to bargain collectively in good faith with whatever representatives their employees put forward for that purpose.

Mr. COHEN: Why do you use the term "representatives"? Is there any implication in the use of the plural? I ask that because there has been a suggestion that there might be one or more organizations.

Mr. ADAMS: The plural was used without too much consideration. It was intended to indicate that the local union might have the assistance of an international officer.

We hope to be able to demonstrate by actual constructive action in the course of our dealings with our members and with representatives of organized labour that we can make an effective contribution to the cause of industrial peace and stability.

We do not consider that our organization is in any way opposed to organizations of employees or trade unions. On the contrary we seek their co-operation, and we believe that it should be possible to demonstrate that both employers and employees have more to gain by co-operating with each other than by fostering a feeling that there is a perpetual conflict of interest between employer and employees.

At the opening of this public inquiry you were kind enough to indicate certain topics for discussion, and we shall attempt to deal with them in the order in which they were presented.

#### 1. *In the field of labour relations*

- (a) In what way should existing legislation or administrative practice be revised, amended or implemented with a view to promoting harmonious labour relations and uninterrupted production?

Firstly, we should like to direct your attention to the fact that the Legislative Assembly of the Province of Ontario has recently enacted a statute called The Collective Bargaining Act, 1943.

This statute was enacted after a committee of the Legislature had conducted an exhaustive public inquiry, and had given all interested parties an opportunity to present their views, opinions and suggestions.

The statute purports to deal with all disputes between employers and employees prior to the consummation of a collective bargaining agreement between them. It provides for the settlement of industrial disputes by establishing machinery for determining the proper collective bargaining unit of employees, and for identifying and certifying the appropriate collective bargaining agency for such unit of employees; and requires the parties to a dispute to meet and negotiate with a view to the conclusion of a collective bargaining agreement.

Mr. COHEN: I do not think there is anything in the Ontario Collective Bargaining Act which provides for the settlement of disputes in collective bargaining agreements. Is there anything more than the fact that some judge can be asked to give an opinion as to a dispute arising out of the interpretation of the application of the terms of a collective bargaining agreement?

Mr. ADAMS: The settlement of disputes which occur prior to the application of the collective bargaining machinery is provided for. It remains to be seen whether or not it is satisfactory machinery.

Mr. COHEN: Or apt?

Mr. ADAMS: Yes, or apt.

We suggest, therefore, that it is no longer necessary or desirable to permit recourse to the Industrial Disputes Investigation Act, or to any order in council of the Dominion Government with respect to any industrial dispute in Ontario which arises prior to the consummation of a collective bargaining agreement.

With respect to disputes which arise following a collective bargaining agreement there may still be some matters with which the Ontario statute does not deal effectively, but we wish to suggest that with respect to the matters which can be dealt with under the Ontario statute, that the Dominion Government, the National War Labour Board and the various agencies and functionaries of the Department of Labour, should withdraw from the field.

We presume that it is not necessary to emphasize the importance of having only one governmental authority dealing with an industrial dispute. It will be indeed a deplorable situation if a party to an industrial dispute is entitled to take proceedings under the Ontario statute, and failing to obtain a decision or result satisfactory to him, is then free to proceed under the Dominion statute or under an order in council of the Dominion Government.

We understand that some representatives of organized labour have, during this inquiry, expressed a desire for compulsory collective bargaining legislation which will apply to all of Canada.

We are not free to speak for employers in other sections of Canada, but the employers represented by this Institute, all of whom operate in the Province of Ontario, are firmly opposed to any duplication of legislation dealing with collective bargaining.

We feel that the Ontario statute having been enacted by the sovereign authority having jurisdiction over these matters, that an honest attempt should be made to operate under that legislation, before any attempt is made to impose further restrictions and controls dealing with the same subject.

Therefore, so far as the group of employers represented by this Institute is concerned, there is no necessity for amending existing legislation, but we do suggest and urge upon you the necessity of changing the

administrative practices of Dominion authorities so that their activities will not extend to the Province of Ontario with respect to any matter which can be dealt with under the Ontario statute.

Mr. COHEN: Just what do you mean by that—that the Dominion authorities should be invited to ignore the Ontario field?

Mr. ADAMS: Should be invited not to intervene in any matter which can be dealt with under the Ontario statute.

Mr. COHEN: Suppose the parties to a dispute do not resort to the machinery that is made available?

Mr. ADAMS: Then I suggest they should not be permitted to resort to any other.

The CHAIRMAN: I take it your proposition is that constitutionally the field of labour is a matter which is within the provincial purview, and until the Dominion passes legislation, whether by order in council or otherwise, the province is sovereign in that field.

Mr. ADAMS: We are not concerned so much with the constitutional question. All we want to do is to avoid a duplication of proceedings on the same matter.

Mr. LALANDE: Normally there is a field in which the Dominion Government has jurisdiction in labour matters. You would not expect the Dominion Government to withdraw from that field?

Mr. ADAMS: I am not putting it on any constitutional basis. It is a question of common sense in its administration. If the Dominion Government is to continue to appoint a commissioner to inquire into a situation where an employee has been discharged, then it is quite possible that a trade union proceeding under that order in council may be dissatisfied with the decision, and there is nothing to prevent their going to a judge in the labour court and raising the whole matter over again. I think if the Ontario statute sets up that machinery it can be settled by the simple expedient of the Dominion Government declining to act.

Mr. COHEN: As a matter of common sense rather than a constitutional consideration, I share that sentiment with you, but the whole question comes down to a consideration of whether or not the Collective Bargaining Act passed in Ontario is an effective means of dealing with the issues involved. If one reaches the conclusion that it is not effective, surely in the interests of the war effort, having regard to the emergency powers conferred on the Dominion, the common sense as well as the constitutional course is to have the Dominion Government create something that will be effective. You just take it for granted that the Ontario Act is an effective means.

Mr. ADAMS: I do not suggest it. I do say that we have it, not by any effort on the part of my clients; but there is this Act. I suggest before we discard it and embark on a new code we try it out. One cannot say it is not satisfactory unless there are some proceedings taken.

Mr. COHEN: Suppose, as has happened with other statutes, somebody supports an action to test the validity of the Act; is the war effort to stand aside while these proceedings run their weary way through the legal channels to determine whether or not the statute is good?

Mr. ADAMS: No, I would not suggest that. If such a thing happened it would be the duty of the Dominion Government to continue to intervene in industrial disputes, by order in council if necessary. All I am pointing out is that here is a statute enacted by the body which normally has jurisdiction, after a rather extended public inquiry, and before the ink is dry we have some parties who asked for it coming here and asking for another one.

Mr. COHEN: Which parties are asking?



Mr. ADAM: I speak of the trade union movement representatives who have asked for it in briefs presented before this Board, if not by formal recommendations. We have some briefs here, and we judge from leaflets and pamphlets which they have published since that they thought it was a very acceptable statute.

Mr. COHEN: Do you suggest that the Ontario statute was asked for by organized labour?

Mr. ADAMS: Not in all respects, but it is a statute which was passed by the sovereign authority after hearing the representatives of organized labour, as well as of the employers and of other organizations.

Mr. COHEN: It still comes down to evaluating whether or not the statute is likely to do an effective job?

Mr. ADAMS: That is correct.

Mr. COHEN: You suggest it should be given a chance. After all, the paramount interest is what is going to do the job at the moment. It is not a question of courtesy as between one constituted authority and another. There is no doubt that something must be done, and the immediate question is whether the Ontario Act will do the job or not.

Mr. ADAMS: If your Board should decide that something else should be provided, I suggest you have the problem of getting rid of the Ontario Act. From our point of view we do not want duplication of proceeding under two statutes dealing with the same subject matter. If the government is to act under the War Measures Act, we say the Ontario Act should be scrapped or suspended in the meantime.

The CHAIRMAN: I suppose anything which should come about as the result of this inquiry should be limited to war industry, and the Ontario statute should be left free to operate in the rest of industry?

Mr. ADAMS: Surely the only result if the government pre-empt the field with respect to war industry is that the Ontario statute would apply to all industries.

The CHAIRMAN: That is what I am suggesting—that the Dominion Government pre-empt the field in respect to war industry.

Mr. COHEN: You have the pre-emption existing to-day. Any industry coming within the category of war industry as defined by order in council comes within the purview of the Industrial Disputes Investigation Act. There is nothing in the Ontario statute which involves employers or workers making application. That Act still goes so far as these war industries are concerned.

Mr. ADAMS: Yes, but it is entirely a matter of choice whether the workers make application.

Mr. COHEN: They must put themselves under it if they wish to put themselves in a position to be able to declare a strike.

Mr. ADAMS: Then that presupposes some act of their own which entitles them to make application under that Act. I suggest the Dominion Government should say to the employees that there is a statute in Ontario which will determine the quarrel, as to who is the proper bargaining agency; go there and do not come under the Industrial Disputes Investigation Act.

Mr. COHEN: Strikes are deplorable but still an accepted phenomena, and what is needed is to bring employers and employees together around the bargaining table in the hope that perhaps they can get one step closer to agreeing. If they do not agree, a strike takes place. That may be all right so far as the pre-war concept is concerned, but with existing conditions it is not acceptable. The Ontario Act does not avoid strikes.

Mr. ADAMS: It does not carry us any farther than bringing the parties together, and the Dominion Government would have to carry on from that point. I have no quarrel with it, but I am by no means to be understood as endorsing the Ontario Act, particularly one which does not indicate to trade unions that they too are expected to bargain with the employers. I have had some experience with that in the last two or three days. If the Dominion Government should enter the field completely I suggest you still have the problem of getting rid of the Ontario statute.

Mr. COHEN: The Chairman has suggested as a line of demarcation that the Ontario Act deal with industries which are not in war-time industry.

Mr. ADAMS: I suggest with respect that if that were done the Ontario Act would be practically inactive, because nearly all the industries are engaged in war work.

Mr. COHEN: As one with a great deal of practical experience, would you suggest that a single judge would be able to hear all the disputes that arise in respect to collective bargaining agencies? Let us be practical. Is not there going to be a bottleneck?

Mr. ADAMS: That may be so.

Mr. COHEN: Surely it is unfair to dismiss it by saying that it may be so. Within a month there would be a bottleneck.

Mr. ADAMS: I believe there is some provision with respect to registers and assistants.

Mr. COHEN: You are becoming apologetic. Duties which are not judicial may be delegated. I suggest to you we cannot wait to see whether or not the Act works out having regard to the war situation.

Mr. ADAMS: In any event if there is to be new legislation by the Dominion Government it would take some time to formally put it into effect, and there will be a period in which the Ontario statute will come up. If the Dominion Government is in a position to put forward a complete order in council which sets up adequate machinery for disposing of industrial disputes, there is still the problem of getting rid of the Ontario Act. I suggest that the parties should not have recourse to both statutes.

The CHAIRMAN: It would not be difficult, would it, to prevent that? You would simply provide for it in the order in council under the War Measures Act.

Mr. ADAMS: I suggest it must be done. We have had unfortunate incidents in the past in which there has been recourse to one authority and when the result was not what was anticipated, they went to another.

Mr. COHEN: Where has that occurred?

Mr. ADAMS: In the pre-war period in respect to ordinary conciliation proceedings. It is occurring to-day. Employees who are dismissed first of all have recourse to the selective service regulations, and failing to obtain relief they apply for a board of conciliation or a commission.

Mr. COHEN: Under P.C. 4020?

Mr. ADAMS: Yes.

Mr. COHEN: That is not a conflict between the province and the Dominion; it is a conflict between two Dominion Acts.

Mr. ADAMS: It should be clearly defined that there should be only one road.

Mr. LALANDE: Am I to take it that the statement contained in the first sentence of paragraph 2 on page 2 is subject to some degree of clarification?

Mr. COHEN: That is only so if the dispute is on collective bargaining rights. Suppose there is a dispute about overtime; where does that come into the Ontario statute?

Mr. ADAMS: That is only that the union is permitted to put forward the claim on behalf of the employees.

Mr. COHEN: Suppose they say the employer is using inferior material, and they are before him on behalf of the employees on that issue?

Mr. ADAMS: I do not know of any union asking for time and a half without asking for a sole collective bargaining agency. I still think it is a matter to be settled by the statute, and the statute directs the parties to bargain on it.

Mr. COHEN: It sets up a situation whereby the employer can ascertain and identify the bargaining agency.

Mr. ADAMS: And having so ascertained, the employer is directed to meet with and bargain with that agency.

Mr. COHEN: If so requested.

Mr. ADAMS: If the request is for time and a half, it is without power on that point.

Mr. COHEN: How does that bear on the question put by Mr. Lalonde?

Mr. ADAMS: The Ontario Act definitely deals with a dispute between employer and employees, or between different groups of employees purely on collective bargaining, and they are within the provisions of the Ontario Act. I agree there may be some questions in regard to which the statute may not adequately deal with the situation, and I suggest that if in your judgment you should superimpose an order in council which more adequately deals with the point, you would have to get rid of the Ontario statute.

(b) Should any such legislative action be adopted as a war measure only under the authority of the War Measures Act, or should it be implemented in any way by legislative action with a view to extending any of these principles and policies into the post war period.

In view of the position which we have taken in connection with question (a) we do not think it is necessary to discuss or comment upon question (b).

(c) What are the underlying causes of strikes or lockouts in war time and what steps should be taken to avoid or deal with strikes or lockouts during the war?

We would respectfully suggest that the underlying causes of strikes and lockouts in war time are the same as the causes of strikes and lockouts in peace time.

At the bottom of every strike you will find a feeling by a group of employees that they can improve their lot by putting pressure upon their employer, and sometimes through him upon government authorities.

Mr. COHEN: You might be fair there. You say the underlying cause of a strike is the feeling of the employees that they can get something. How about their feeling they should get something and going on strike to get it? There are many strikes where employees think they should get something but are far from hopeful when they go on strike that they will get it, but their sense of conviction compels them to go on strike.

Mr. ADAMS: I have no objection to putting it in that way. There is the case where the person instrumental in bringing about the strike believes that a strike will result in benefit to the employees.

Mr. COHEN: You mean that some person brings about strikes in every case?

Mr. ADAMS: I made no such suggestion.



Mr. COHEN: That is my reason for commenting on this paragraph. You say "At the bottom of every strike you will find a feeling by a group of employees that they can improve their lot by putting pressure upon their employer."

Mr. ADAMS: The employees who participate in the strike feel that by the strike they can improve their position.

Mr. COHEN: The paragraph might be put a little more aptly if you suggested that sometimes there may be some merit in their claim.

Mr. ADAMS: I do not suggest there are not strikes which are justified, and the employees think they can only improve their lot by striking under such circumstances

There is a general feeling, of course, that the strike weapon should not be used by employees during a time of national emergency. We believe that this feeling is quite generally shared by employees, and it should be reasonable to assume that a strike in war time, particularly a strike which interferes with the production of munitions of war, must have been the result of some serious provocation, or arises out of working conditions much more unsatisfactory than would be necessary to cause a strike in normal times.

Unfortunately, however, this is true only if we also assume that all persons in the Dominion of Canada are equally concerned with the struggle in which we are engaged, and are equally desirous of a successful outcome. It is quite apparent that this latter assumption is not well founded. Among the employees in this country, as in all other classes of people, you will find those who are willing to devote all their energies toward the successful prosecution of the war, and you will also find those who are so selfish that they look upon this period of national emergency as a golden opportunity for improving their own position.

Mr. COHEN: I suppose the term "all other classes of people" would include some employers?

Mr. ADAMS: I presume so.

Mr. COHEN: I do not quite understand why you specify employees in that direct fashion when you consider that at least some of them must be devoting themselves to winning the war. When you come to the employers you suggest a doubtful shadow—"other classes of people" why not be as specific in the one case as the other?

Mr. ADAMS: I am dealing primarily with strikes. It is true there is the question of lockouts, but I think the facts indicate that there have been very few lockouts in this country during the war, and there have been quite a number of strikes.

Mr. COHEN: Do you suggest that in no case has a strike resulted from the attitude adopted by the employer who is more concerned about his industrial destiny than he is about the war effort?

Mr. ADAMS: Not at all.

Mr. COHEN: That is one of the causes of strikes, and for that reason you might have named the employers as definitely as you named the employees.

Mr. ADAMS: It refers not only to employers but to merchants, consumers, financiers and individuals who have their part to play.

Mr. COHEN: The proper construction would be to say "all classes of people" and leave out the specific reference to employees.

Mr. ADAMS: I am sorry. I thought my wording was essentially fair. I am here to point out that some are selfish but I think the majority are not selfish and are just as desirous of winning the war and devoting their energies to that purpose as any other class.

If strikes or lockouts are caused or precipitated by people in this latter group, or by persons representing them, then it is surely the function of the government to curb their activities. If a strike or lock-out is caused by persons for selfish reasons, then their action is distinctly anti-social and deserving of punishment. We think that it is imprudent to assume that all strikes and lockouts during wartime fall into this category. We would suggest, therefore, that there be a public inquiry following every strike or lockout which interferes in any way with the production of munitions of war, and that those persons who have acted contrary to the interests of the nation by causing, counselling, aiding or abetting such disturbances should be subjected to severe penalties, and that appropriate legislation be enacted to provide for such procedure.

We believe that this is the only practical method of forcing those persons who are the authors of such disturbances to conform to public standards of decency and morality.

## II. *As to wages, cost-of-living bonus and associated questions*

(a) Generally as to the existing provisions of P.C. 5963 and the administration thereof.

Before entering upon say consideration of the administration of P.C. 5963 we respectfully suggest that it is essential that the Board first examine the entire inflation control policy of the Dominion Government with a view of ascertaining and stating in your report the extent to which you consider it necessary to control wages, salaries and other forms of remuneration to employees in order to permit the government to control effectively the prices of goods and commodities, and thus to prevent further increases in the cost of living.

Mr. COHEN: Why restrict the inquiry to the extent to which it is necessary to restrict employees' wages?

Mr. ADAMS: The expression "employees" is used with the very widest significance, with regard to salary earners, wage earners and those who receive dividends—all people who are employed.

Mr. COHEN: That is the first time I have heard a person who draws dividends referred to as an employee. I have no objection to using it in that sense.

Mr. ADAMS: I have no objection.

Mr. COHEN: Are not you answering a specific question regarding P.C. 5963, that is all?

The CHAIRMAN: Yes.

Mr. COHEN: The question is whether we should go into the entire inflationary policy and examine it to reach a sound conclusion, and if so we must examine into every factor that contributes to inflation. There are many factors beyond wages and salaries to employees which make their contribution to inflation.

Mr. ADAMS: I have no doubt it is necessary to control factors other than wages and salaries and other forms of remuneration—commission earnings and that sort of thing. So far as this inquiry is concerned it may have to do with wage control and salary control and what is at the bottom of it. That is something that has been challenged here before you. It seems to me that if we are to get any kind of co-operation in the administration of this order in council you must be convinced of the necessity of wage control.

Mr. COHEN: I am not quarrelling with you in that respect. I am only suggesting to you that if this Board is to be invited to express an opinion on wage control it must then necessarily inquire into all other factors. You may find that the proposition to increase substandard wages relates to other factors in increasing inflation.

Mr. ADAMS: I am sure you would not be embarrassed in any way by the limitation I would suggest as to the scope of the inquiry. I think you should inquire into the entire inflationary control policy with a view to ascertaining the extent to which you consider it necessary to control wages and salaries. You may examine into it in the very broadest extent and reach a conclusion as to the necessity for controlling wages either in relation to excess profit taxes or otherwise.

We do not intend to suggest that there is any doubt in our minds, or in the minds of the great majority of people in this country, as to the necessity for this type of control.

We have observed, however, that certain persons holding responsible positions of leadership in the labour movement have expressed the view that wage control is not necessary, and that it is possible for the government to prevent a rise in the cost-of-living index without exercising control over wages, at least to the extent to which wages are now controlled.

We believe that such conclusions are erroneous, but we have no reason to believe that a mere statement of our views will have any effect upon those who attack the present wage control policy of the Dominion Government. We would expect, however, that if the National War Labour Board would direct its attention to this question, and in its report following this inquiry, would state its views as to the necessity for such controls that it might have some influence in counteracting the effect of such utterances by persons who apparently speak for important organizations of employees.

It is quite probable that the persons holding and expressing these views are acting in good faith, and we believe that they have a right to express their views particularly during the course of this inquiry, but since such statements have been made by persons prominent in the trade union movement, we think it is necessary that they be either substantiated and accepted by the Board, or formally repudiated.

Mr. COHEN: Who are the persons prominent in the trade union movement who have expressed a view?

Mr. ADAMS: I am sorry I have no notes of names, but I refer particularly to the brief presented by the Canadian Congress of Labour. Perhaps other briefs also make the same statement. I did not check them.

We are quite prepared to admit that unless the control of wages is necessary in order to control the cost of living and the prices of goods and commodities, it should not be attempted at all. On the other hand, if it is necessary, as we believe it to be, then we should leave nothing undone which will help to convince those persons who are the leaders of organized employees that it is their duty to co-operate with the government in making wage control effective.

We do not intend to suggest that all trade union leaders are opposed to wage control. On the contrary we note that many of them believe in it, realize that it is necessary, and have courageously supported it, particularly some of the labour representatives on the various War Labour Boards.

It is apparent, however, that some of the representatives of organized labour who act as members of War Labour Boards are conscientiously opposed to the government's Wage Control Policy, and we respectfully suggest that proper administration of the order in council cannot be expected from such members.



We venture to suggest, therefore, that no person be permitted to act as a member of a War Labour Board unless he is willing to endorse and support the principles of the policy enunciated in P.C. 5963, or in any other order in council which you may recommend in its place and stead following this public inquiry.

We, therefore, stress the importance of an authoritative pronouncement from the National War Labour Board on the necessity for the control of wages, salaries and other forms of remuneration of employees.

Dealing now more particularly with the administration of the order, we should like to express our complete approval of the recent changes in the National War Labour Board which have resulted in the Board being reconstituted as a permanent Board of three members. We understand that each of you intends to devote his full time to the important task which lies before you, and we wish to assure you that you will receive the utmost co-operation from this organization.

We approve also the recent amendments to the by-laws of the National Board, which make it possible for an appeal from a decision of a Regional Board to be brought to the National Board under certain circumstances. We would like to suggest in passing that we hope you will adopt a policy which will limit appeals to those cases in which some question of general principle or general application of the order is involved, and that no person or organization will receive the impression that appeals are admitted or allowed merely because one of the parties to an application before a Regional Board is dissatisfied and is in a position to cause some industrial disturbance unless that decision is altered.

We hope also that the recent decision of the National War Labour Board in the Steel case is an indication that your Board intends to adopt the practice of publishing the reasons for your decisions, and we suggest that you arrange to have all decisions of your Board edited and published, and made available to interested parties in the same way that decisions of the Supreme Courts are reported and published. We suggest also that certain matters which are now the subject of applications to Regional Boards should be dealt with in general terms by rulings or directives of the National Board, and made applicable to all employers and employees. For example, the question of granting vacations with pay to hourly rated employees has already been dealt with by your Board in the form of a direction to Regional Boards, but it is still necessary for each individual employer to apply to the appropriate War Labour Board for permission to inaugurate a plan of vacations with pay. We see no reason why the National War Labour Board should not prescribe the terms and conditions or the limitations of a vacation with pay plan and to give general permission to all to make such plan effective. There are many other matters which we feel could be dealt with in the same way, to mention a few—group insurance, sick benefit plans, hospitalization plans and overtime conditions. In short, we suggest that in so far as it is possible to do so that general limitations be prescribed, and that permission be given to all to operate within the scope of these limitations without making particular applications to particular Boards to obtain such permission.

In this connection we feel that before the Board issues any such general directives an opportunity should be given to representative organizations of both employees and employers to present their views to your Board with respect to the particular matter under consideration.

The CHAIRMAN: What you are suggesting is probably a time saver in a way, but I must confess I have always felt that I could not put myself in the place of every employer and set up a formula for him. The conditions are so different with different employers that you must have some elasticity.

Mr. ADAMS: I am not suggesting that you could order that in a general way, but that you merely prescribe general limitations; for instance, vacations with pay may not exceed one week.

The CHAIRMAN: Just in that connection, there is an employer who asks for two weeks' vacation with pay for men who have been in his employ for fifteen years. He says that he knows these men and their physical condition and understands what industrial fatigue means at their age. Are you suggesting that in a case of this kind it should only be one week? Speaking for myself I feel a great deal of hesitancy about putting in a general order that would not meet individual cases with respect to limitations.

Mr. ADAMS: Of course you can always deal with individual cases. The situation I am referring to particularly is where the National Board about a year ago issued a directive to all employers.

The CHAIRMAN: Yes, D.B. 17.

Mr. COHEN: That directive prevented the Regional Boards from giving consideration to any particular cases such as you suggest, yet it was not published and was not brought to the attention of employers. It is still necessary for the employer to apply to the Board to make it effective, and that means delay. Why should it be necessary to go to a Board to get something that is to be taken for granted?

Mr. COHEN: You say they are giving it to everybody, not the employees?

Mr. ADAMS: No, it is a directive only when the employer consents. I suggest you say to the employers that it is not necessary to secure permission to make this plan effective, but if you want something more you must ask for it.

Mr. COHEN: You suggest a certain minimum as to which no consent should be required?

Mr. ADAMS: Yes..

Mr. COHEN: If they want to do something which is at variance with that plan and can present a case to support another plan, they should make an application for authority or direction?

Mr. ADAMS: Exactly. I have in mind the alleviation of some causes of industrial unrest. There are still many employers who disagree with such a request by saying in an offhand manner that they have not the power to do it if it does not come before a board. If a plan of vacation with pay for one week is being rather generally applied to everybody asking for it, why should employees be put to the necessity of going to a board or insisting that their employer deal with it in that way? It should be something that he could deal with as he has always done, by either agreeing or disagreeing. One of the causes of dissatisfaction among employees is that the employer sometimes makes the order in council an excuse for the "no" that he would have given otherwise. I am suggesting it is not wise for the government or the National Board to permit itself to be used in that way to get rid of the question. If it is possible to deal with it in a general way and give employers the right to do it, it should be done.

Mr. LALANDE: There may be in some cases a consideration arising from the necessity of maintaining war production which may make it advisable to exercise some sort of control.

Mr. ADAMS: You mean which may make it advisable not to grant any vacations with pay. My suggestion is only that the employer be permitted

to do it if he thinks fit. If for some reason his plant cannot be closed down, that is something for him to negotiate, and failing an agreement, the employees may come to the Board.

Mr. COHEN: They have not that right now under Decision Bulletin No. 17.

Mr. ADAMS: Technically, no.

Mr. COHEN: I do not know why you say technically. I have seen very recently a comment from an executive officer of one of the Regional Boards to a group of employees that he was sorry the Board could not consider the application they had sent in; that they would have considered it if the employer had asked them to deal with the matter, but that they could not consider it when the employees send it in.

Mr. ADAMS: I suggest that was a rather unhappy way of dealing with the matter.

Mr. COHEN: It is not conducive to the betterment of the morale of that group of workers to receive a letter of that kind.

Mr. ADAMS (reading):

We should like at this point to register an objection to the method of dealing with a certain application which was recently before the National War Labour Board. In this case the employer and a trade union representing the employees had joined in an application for permission to inaugurate the practice of paying a premium of five cents per hour to workers while alternating on the second and third of a three-shift operation.

A Regional Board had dealt with this case, but had been unable to reach a unanimous decision. The matter having been transmitted to the National Board pursuant to the by-laws as they then existed, we understand that the parties to this application were permitted to appear before the National Board and present their arguments.

A few days later a news despatch carried in many daily newspapers reported that the National War Labour Board had granted the application, although we understand that at the date of writing this brief the situation is that the National Board has merely recommended that the Regional Board concerned should give favourable consideration to the application with certain minor limitations. Whatever the ultimate decision may be we suggest that the interests who are really concerned with presenting arguments against the granting of this application were not heard by the Board, and were not invited to present any arguments to the Board. It must be obvious that it is impossible for other employers to successfully resist demands by their employees to follow the lead of the particular company concerned in this application, and we feel that it is imperative that all interested parties be heard before dealing with an application for permission to change working conditions which is bound to be taken as a precedent by other employers and other groups of employees.

It is not safe to assume that because a particular employer has yielded to the demands or importunities of his employees with respect to changes in working conditions that such a practice can be followed by other employers, nor is it any protection to other employers to state in your decision that it is not to be considered a precedent.

Mr. COHEN: I was not present and did not take part in those proceedings. Who are the parties you say were interested in that application and were not heard by the Board?

Mr. ADAMS: I say that all other employers of labour in Canada are interested in a matter which changes working conditions.



The CHAIRMAN: What would you suggest in a practical way—that every time a request is made there should be a general invitation to all employers, or if it is the other way round, that an invitation should be extended to all trade unions to come in and deal with that particular case? What is the practical answer?

Mr. ADAMS: I think at least there should have been in that particular case an attempt to get the view of other large employers of labour in the locality, perhaps in the particular province. It might not be possible, of course, to invite all employers to present their view here. You have a situation where one employer has been persuaded by his employees to make this change—

Mr. COHEN: How do you know he was persuaded by his employees? He may have persuaded his employees that it should be provided for.

Mr. ADAMS: In any case that recommendation immediately inspires all other trade unions who are in a position to do so, to ask for similar conditions.

The CHAIRMAN: I would assume that. Why would it not? I do not know whether it has occurred to you, but this hearing was referred to in the press.

Mr. ADAMS: After it happened.

The CHAIRMAN: No; before it came up. Anyone who wanted to come in and have something to say about it would undoubtedly have been heard, but evidently there was not enough interest in it until *expose facto*.

Mr. ADAMS: I am sorry I did not hear of it.

The CHAIRMAN: The dates were given in the press.

Mr. ADAMS: I understood the practice of the Board was that even the parties themselves did not appear before the National Board.

Mr. COHEN: When was that?

Mr. ADAMS: The practice of the Board at that time.

Mr. COHEN: Which time?

Mr. ADAMS: The time that case was dealt with. At least the practice up until that time was that the case was transmitted by the Regional Board to the National Board. There was no intimation to the parties to the case to appear before the National Board. So far as I am aware they never were here in any case prior to that time.

The CHAIRMAN: In every case where there has been any unusual principle involved it has been heard in public.

Mr. ADAMS: That is since the Board has been reconstituted.

The CHAIRMAN: Yes, and this was before the Board, because we started with the Steel case, which was long before the Ford case.

Mr. ADAMS: The Steel case was unusual. It was not transmitted by the Regional Board.

The CHAIRMAN: Notification was given that there would be a hearing on the matter, not only to the parties, but in the press in advance. The argument was heard and the decision arrived at. Nobody was excluded. Are you suggesting that every time a case comes up that may affect somebody else we should send special invitations or something of the kind? It is rather an impractical proposition.

Mr. ADAMS: I realize the difficulties. If I am mistaken and there was a general notice published, and other employers were free to come in, I would withdraw my objection. I had no idea there was anything like that.

The CHAIRMAN: Well, there is this too, that in respect to the final decision in that matter anyone who is interested may apply for leave to appeal, not only the particular parties but any person who is interested.

Mr. ADAMS: That may be, but I suggest the damage is already done, particularly by the newspaper announcement that the National Board had approved the application. Perhaps that was not a proper comment for the newspaper to make.

The CHAIRMAN: I think it was proper. That is what they are for.

Mr. ADAMS: If you say that the decision of the Board was correctly reported, I suggest with respect that it would be quite useless for any employer, if interested, to come back and ask to have it reversed. The damage is not the application of that particular company, but the tendency which it encouraged for all other companies to do the same thing.

The CHAIRMAN: You are suggesting it would have been all right if it had been kept a secret.

Mr. ADAMS: I suggest that the decision, if it could have been kept a secret, would not have created as much consternation as it did.

Mr. COHEN: I think that unwittingly you are finding yourself in a corner. Incidentally I was the only person excluded from that hearing, on my own initiative, because I had been interested in the matter in an earlier stage. Your proposition is not that the Board granted the application but that the Board was only dealing with a reference from the Regional Board; they told them what they could do, and when the newspapers announced a decision that was incorrect. That is your point?

Mr. ADAMS: Yes, those interested got the impression that the matter had been finally disposed of by the National War Labour Board, and some weeks later I discovered that that was not the case, but that the Regional Board in turn had been placed in a position where it was expected to grant the application with some modifications. Now, if you tell me it was intended by the notice given that other employers—

The CHAIRMAN: It was not intended particularly as a notice to anybody. It was a notice through the press to the public that such a case would come up at a certain time. That ruling only took the form of a recommendation to the Regional Board. I think it is in such a position now that it can be finalized in some way by a finding and direction of the Regional Board. While there is provision for leave to appeal, not only by the parties concerned but by anyone having interest—

Mr. ADAMS: I should like to consider very carefully whether any company I represent would have the temerity to come back here and ask leave to appeal a decision given in a case in which the applicant was a trade union in agreement with its own employer. I think perhaps we are asking for a little trouble.

The CHAIRMAN: You have the right, whether you have the temerity or not.

Mr. ADAMS: I suggest that the proper time for such representations to be made is before the Board reaches its decision or before it is published. If it is a case involving a question of some general principle, every employer who thinks he is interested should be able to ask leave to address you on it.

Mr. COHEN: Subject to the fact that he established his interest. You could not have each become a general inquiry.

Mr. ADAMS: Of course, but if some employer can show he is as much interested in that case as the employer before the Board, he should come and ask permission to be heard.

Mr. COHEN: That is a matter on which there may be some question of doubt. You could say about every case that other employers have as much interest in the outcome, and every employee is as much interested. There has to be some line of demarcation.

Mr. ADAMS: So long as there is some calendar of cases, so that we would have notice of what was coming up.

Mr. COHEN: As the Chairman has indicated, the press carries an announcement of the fact that a particular case is to be heard. The hearing is held in public, and anyone has the right to come in. I am not suggesting that anybody can come along with representations. There might be some difference of opinion on that.

Mr. ADAMS: I am prepared to leave it to the Board as to whether or not the parties are entitled to be heard. I suggest that publishing it in the newspapers is not sufficient. Surely you should have some calendar of cases.

Mr. COHEN: Where are you going to post a calendar?

Mr. ADAMS: I do not think you can do anything more than post it in your own office. That is the way it is done in the court house. I can possibly make arrangements with the secretary to keep me informed. I do not suggest that the Board should keep me notified as to what is going on.

Mr. COHEN: We can probably arrange to have a list nailed outside of Mr. Neilson's door, if that answers the purpose.

Mr. ADAMS: The brief continues:

(b) What, if anything, should be provided with respect to bringing about more uniformity in respect to cost-of-living bonus.

We understand that there have been several suggestions made during the course of this inquiry that the cost-of-living bonus should be increased to the maximum of 17 points in all cases, without any consideration being given to the amount of increase in basic wage rates which employees have received since August, 1939.

Should this suggestion be adopted we think it quite probable that those employees who have not received basic wage increases, but who have heretofore been in receipt of the full cost-of-living bonus, would then feel that they had been unjustly treated, and would immediately demand a basic wage increase, and in some cases with considerable justification.

We are of the opinion, therefore, that no greater stability with respect to the remuneration of employees would be achieved by yielding to the present request than that which has already been achieved.

We are of the opinion that the recent amendments to P.C. 5963 make it possible for War Labour Boards to deal with any application for permission to increase the amount of the cost-of-living bonus on the strict merits of the case, and that it is quite unnecessary to amend the order in council so as to permit or order the general payment of the full cost-of-living bonus in all cases.

Mr. COHEN: I take it you are referring in that case to the provisions of P.C. 2370, the last order in council amending section 34 or P.C. 5963.

Mr. ADAMS: I do not recall the numbers, but the amendment which allows the Board to deal with the matter in particular cases, notwithstanding the general increase.

Mr. COHEN: The amendment does not go quite as far as your paragraph implies. If the application of the order results in unfairness or inequality within an industry, this Board can deal with the merits of the case. I am not suggesting it should go that far; I am just interested in the accuracy of the statement.

Mr. ADAMS: You may be right. I did not refer to the text. Perhaps the amendment does not go quite as far as suggested here. If not, I would suggest it could go that far.

The CHAIRMAN: It deals only with equality within the industry.



Mr. COHEN: I take it from your last remark you feel it should go further.

Mr. ADAMS: I think so. I see no reason why the levelling up of the cost-of-living bonus should not be dealt with as you deal with all applications. In some cases it is more necessary to equalize the cost-of-living bonus than it is to equalize the wages in neighbouring establishments.

We suggest, however, that War Labour Boards should adopt the policy of applying any general increase which they have decided to award in the form of a cost-of-living bonus increase, if the current cost-of-living bonus is less than the maximum bonus based upon seventeen points, or in other words, that a general basic wage increase should not be permitted so long as the cost-of-living bonus being paid is less than the maximum possible under the order in council.

We feel that applications for permission to increase the cost-of-living bonus, as well as applications for permission to increase the basic wage rate, should be dealt with on the merits of the particular case, and that there are no reasonable grounds for ordering or permitting any general increase in the cost-of-living bonus.

Mr. COHEN: In other words you suggest that even a limited application of section 25 should be discarded and replaced by increases in cost-of-living bonuses if at the time of the application the cost-of-living bonus is less than \$4.25.

Mr. ADAMS: Only if the Board is inclined to give some form of general increase. This practice which allows boards to have the right to deny an employer the right to pay more than 60 cents a week and at the same time give him permission to pay five cents more in basic wages simply adds fuel to the flames.

Mr. COHEN: Suppose in a particular case the wage rate within section 25 is low compared with the same rate in a comparable locality or classification; do you suggest that the wage rate should not be increased and that if there is some difference between \$4.25 and the existing cost-of-living bonus, the cost-of-living bonus should be levelled up?

Mr. ADAMS: Yes.

Mr. COHEN: That means that you are using the cost-of-living bonus, which is supposed to compensate the worker for the increased cost of living, to supersede the adjustment in his wages to which section 25, even in its limited form, suggests the worker may be entitled.

Mr. ADAMS: I quite agree with that. This cost-of-living bonus, while supposed to compensate the worker for the increased cost of living, is not the only method of so compensating him, because a basic wage increase which has occurred since September 1939 is supposed to compensate him. I suggest that you must treat the two things so as to equalize all the remuneration of the employees between plant and plant, not merely as basic wages, because when in the pay envelope it is all dollars and cents.

The CHAIRMAN: How would that apply in the case of an application for a particular trade? Let us take for example the pipefitters in the shipyards. There is an application for an increase there. Following your proposition you would be creating another differential in the same plant.

Mr. ADAMS: Of course my proposition is confined to a case where it is a general increase in wages, where the granting of a cost-of-living bonus is for some artificial reason less than \$4.25. It can be applied to all trades within the factory or to all classifications within the factory.

We understand that there is considerable dissatisfaction throughout the country because Regional War Labour Boards are unable to deal with applications promptly and expeditiously.

We would like to suggest, therefore, that Regional War Labour Boards, as presently constituted, be disestablished, and that in their place and stead there be established Regional controllers who will operate in a smaller geographical zone than that which is now assigned to most of the Regional Boards. We believe that a Regional controller operating in each industrial locality would be a considerable improvement over the present arrangement.

Mr. COHEN: Is not some such practice followed in the United States in the National Labour Relations Board set-up? If my understanding is right, applications of a certain kind, and up to a certain amount, go before a director or whatever he is called. When he approves it, that is sufficient and the matter only comes before the Regional Board or the National Board if there is some decision involved which comes into conflict with an existing directive.

Mr. ADAMS: I believe that is correct, but my information is confined to newspapers only. While it may not be necessary to have an identical set-up you have regional offices in the selective service. I see no reason why one individual could not handle the work in Prince Edward Island, say, but in Ontario it is essential there should be a controller in Toronto, Hamilton, Windsor and the Niagara district, if you are to get anything like prompt decisions on cases.

Mr. COHEN: Would you place any limitation on the type of case that could be dealt with by the regional controller, or are you turning over all the functions now exercised by the Regional Board?

Mr. ADAMS: Subject to the suggestion which I made earlier, that some attempt be made by a general directive of the National Board to relieve the pressure. I can see no reason why an individual operating as a controller in the small areas should not be able to deal with all types of cases that are now coming to the Regional Board just as capably and just as efficiently as those boards.

Mr. COHEN: You think it would result in more expedition?

Mr. ADAMS: Yes, definitely hasten it. You do not have the delay in securing a meeting of minds on each case. You make a decision. He may be wrong, or he may go off the track.

Mr. COHEN: Then there is the right to appeal?

Mr. ADAMS: Yes, the National Board may correct him.

We see no reason why the duty of administering the provisions of the Wages Control Order should not be entrusted to an individual person, provided he is appointed by the National War Labour Board, and remains subject to its control and direction.

When I say appointed by the National Board, I do not mean by any of the machinery of the civil service, or any particular recommendations or anything of the kind; I mean definitely selected by the Board which is responsible for the administration of this order.

Such an officer should, of course, have the assistance of whatever clerical and technical staff that he might require, and we would also favour the appointment of an officer to act as counsellor before such Regional controller with respect to all applications.

The controller should not be appointed on the nomination of either employees or employers, or their respective associations, but should rather be chosen on the basis of qualifications. The counsellor, however, might well be appointed on the nomination or recommendation of the various labour organizations. This officer would be free to express his views with

respect to any application going before the Regional controller, but the parties to the application should nevertheless be free to arrange for their own representation in particular cases if they wish to do so.

We would favour the same right of appeal from the decisions of such Regional controllers to the National Board as you have now arranged with respect to the decisions of Regional War Labour Boards, and subject to the same limitations which we have already suggested earlier in this presentation.

We would favour also a provision which would require that all decisions of such Regional controllers be made in writing, and copies transmitted to the National War Labour Board, where they should be edited and those of them which have any reportable value should be published.

We believe that such officers operating on a full time basis and within smaller geographic areas than the present provincial areas will have an opportunity to become familiar with local conditions, local practices, local wage rates, and thus be able to give decisions in stricter conformity to the principles of the Wage Control Order than those which are now being made by Regional War Labour Boards.

Mr. COHEN: With zone control, not regional control, how are you going to know anything about comparable localities? In Toronto or some other large industrial centre there are samples of almost every industry, but immediately you get away from zones with a variety of industrial activity, where is your zone officer to find a criterion to help his judgment? The Regional Board is enabled to use experience gained throughout the province, and sometimes throughout the country. There may be some value to your suggestion if you place a ceiling, so to speak, on the type of application such a controller may deal with, and still leave the Regional Board with some things to deal with.

Mr. ADAMS: I think that problem might be more readily settled by giving the Regional controller the right to secure data, through his technical assistants, from anywhere. I do not suggest he should be confined to his zone in making comparison. His data may have to be secured from an employer in some other area.

We suggest that this change in administrative procedure would also provide the answer to the following three questions, namely:—

- (d) Should there be a floor below which the Wartime Wages Control Order need not be operative?
- (e) To what extent should local, zone or national standards govern conclusions as to wages?
- (f) To what extent should a "living wage" govern policies and decisions and what are the data and considerations relevant thereto?

We believe that it would be quite possible for each Regional controller to indicate or establish certain minimum standards for the different classifications of employment which might be put into effect generally without specific applications. These minimum standards would, of course, be made known to the local selective service officers, and these latter officers would thus be enabled to inform persons seeking to engage employees that their wage standards were or were not, in conformity with the ideas of the Regional controller, all of which would tend to a sensible and more efficient application of the government's wage control policy, and make it possible to co-ordinate the activities of Wage Controllers and selective service officers.

I might interject here that while I do not want to be taken as being too critical of the administration of the selective service—

Mr. COHEN: Why should you be the only one?



Mr. ADAMS: When I had something to do with the Wage Control Order there were frequent instances of officers telling employers that their wages were too low, and they would have to raise them. The employers did so, being told by a government official, because they had to get the help. They did not trouble to apply in the proper way. They assumed it would be quite all right if a government official told them to do so, and much confusion has been caused, especially in the construction trades, where employers were forced to hire employees in a hurry.

Mr. COHEN: I am inclined to think there is a joker in your zone controller proposition, even though unintentional. You have many localities where the standard of living is really substandard. If the result of your zone controller means you are going to continue that instead of doing justice to it, all of the benefits you could secure from expediency will be wiped out.

Mr. ADAMS: I only suggest—

Mr. COHEN: You say, fix his wage standards in regard to the local standard of wages?

Mr. ADAMS: Yes.

Mr. COHEN: We have all been in places where in terms of the war effort the standard of living will hurt production. What you are suggesting is that the zone controller should fix his wages in the terms of local standards of living?

Mr. ADAMS: Perhaps I have not made it quite clear. I am referring to a minimum standard which should be made applicable. I do not intend to imply that his decision on each application should be a decision based on local standards of living. You notice that in a previous paragraph I suggest something should be done based upon local conditions. I do not intend to suggest that he be confined to local conditions. In any event I am quite sure that the Board will correct such inaccuracies.

Mr. COHEN: If you set up a procedure which will consistently produce matters which need correction, you will lose the efficiency which you wish to secure at the other end.

Mr. ADAMS: I think the standard that has been put out for general guidance for decisions in applications that come before that zone controller would be sufficient.

In fixing such minimum standards a Regional controller should, of course, take into consideration local conditions and fix his wage standards in accordance with local standards of living.

(c) To what extent, and under what circumstances, should new conditions of work be ordered or authorized which involve increased cost of production?

In this connection we can only suggest that each such application be considered on its merits, and dealt with on the same basis as an application for permission to increase basic wage rates.

Mr. J. S. McCULLAGH (Niagara Industrial Relations Institute): Mr. Chairman and members of the National War Labour Board:—

The Niagara Industrial Relations Institute, on whose behalf this brief is submitted, take this opportunity of commending the Board upon undertaking this inquiry so soon after its reconstitution. The need for such an inquiry has long been obvious to all who are interested in the establishment of good industrial relations policies and the Board is to be congratulated not only upon instituting the inquiry itself, but also upon its timeliness and upon its scope and comprehensiveness.

The Niagara Industrial Relations Institute is a corporation without share capital, existing under the authority of Letters Patent, dated May 23, 1942, issued pursuant to the provisions of the Ontario Companies Act.

The Institute is authorized to speak for over 30 employers who include the largest employers of labour in the Niagara Peninsula, all engaged in important war industries. Among its objectives, as set forth in the Letters Patent, appear the following:—

- (a) To promote the establishment and maintenance of good relations between industrial employers and employees in the Niagara Peninsula, and
- (b) To promote means for the removal of causes of industrial unrest and stoppages of work in the Niagara Peninsula.

In developing these objectives we are impressed with the belief that to establish and maintain good industrial relations, and to remove causes of industrial unrest it is first necessary to reach a complete understanding with the leaders of organized labour in order that employers may seek to understand the aspirations of trade unions and so that the trade unions may be given full opportunity of appreciating the difficulties and responsibilities of employers in their dealings with their employees, to the end that between them fair and workable arrangements can be evolved. We believe, therefore, that this Board, in seeking a solution of whatever difficulties exist in present day industrial relations policies, is fulfilling an important duty in focusing the attention of the Government and the public upon the responsibilities of employers to their employees and of trade unions to their members, as well as upon the absolute necessity for mutual understanding and co-operation between both.

Mr. LALANDE: I do not suppose you would mind adding "the general interest of the community at this time."

Mr. McCULLAGH: That, of course, would be an important consideration.

We propose to set forth our views on the various topics in the order laid down in the announcement of the Chairman given at the preliminary hearings, feeling that in so doing it will facilitate reference by the Board when consideration is given to all the representations submitted:—

### 1. *In the Field of Labour Relations*

- (a) In what way should existing legislation or administrative practice be revised, supplemented or implemented with a view to promoting harmonious labour relations and uninterrupted production?

It should first of all be emphasized that at the present time there is in existence a statute of the Province of Ontario, namely the Ontario Collective Bargaining Act, 1943, which we think should govern matters in the field of union recognition, collective bargaining, etc. This legislation purports to provide a solution for jurisdictional disputes, provides a method of settling the question of union recognition by employers and compels employers to bargain collectively with their employees through whatever representatives the Court certifies is the proper bargaining agency and it also provides machinery for the settlement of disputes arising out of the discharge by employers of employees allegedly for union activity. We feel that in the Province of Ontario an opportunity should be given us to operate under this Act, at least until such time as it can be determined whether or not it is workable legislation.

Mr. COHEN: How much time would you suggest?

Mr. McCULLAGH: At least until it can be fairly and reasonably determined whether it will work. It is not functioning yet, but it should not take very long to find out whether or not it is instrumental in remedying the things it is intended to remedy.

To this end we suggest that the Board recommend to the Dominion Government that the Industrial Disputes Investigation Act be not invoked to deal with any alleged dispute for which the Ontario Collective Bargaining Act prescribes machinery. We consider it highly important that there be no conflict of jurisdiction and that neither employers nor employees be given facilities for resorting to more than one authority in the handling of industrial disputes. Otherwise the possibility exists of resort being had to the Labour Court in some instances and of invoking the Industrial Disputes Investigation Act in cases where it is felt that a different result might be obtained. There is also the possibility that resort might be had to one medium for the purpose of reviewing a decision given by the other.

The Niagara Industrial Relations Institute is prepared to wholeheartedly and sincerely co-operate with the Labour Court to the end that the objectives and the intent of the Act may be attained.

If disputes involving questions of union recognition, jurisdiction, etc., are removed from the purview of the Industrial Disputes Investigation Act, and there is authoritative reason to believe that the sole question of union recognition does not come, nor has it ever been, within the scope of that Act, we believe the necessity for invoking the Act will very seldom, if ever, arise in the Province of Ontario or in any Province having similar legislation. Consequently it is not necessary to stress at this time any points in the Industrial Disputes Investigation Act or other existing legislation which we feel are worthy of criticism beyond merely mentioning them. We are in complete accord with the views expressed by the Trades and Labour Congress of Canada and by the Canadian Congress of Labour as to the undesirability, in applying for a Board of Conciliation and Investigation, of continuing the requirement of a Statutory Declaration that a strike will be declared failing a settlement of the matter in dispute. The obtaining of the necessary authority to declare a strike gives rise to an entirely false impression, not only in the minds of employees, but in the public mind also, that a strike is imminent and we think it extremely unwise that employees should be compelled to undergo the formality of authorizing something which we are all concerned in avoiding—a stoppage of work in a war industry. We think the proving of a bona-fide dispute, and the authority of the employees affected to apply for a Board of Conciliation should be a sufficient requirement, provided that it is a bona-fide dispute and not one created for the purpose of invoking the Act, and provided further that the Department of Labour exercises the strictest precautions in seeing to it that all other requirements of the Act have been fully complied with. In this connection we feel that there is some confusion and overlapping, not to say ambiguity, in section 17 (d) and (e) of the Act. There appears to be no requirement that where a dispute affects employees, some of whom are not members of a union, the union may not make a proper application unless it is made on behalf of all employees affected and thus requiring the authority of a majority of all employees affected.

We think also that section 2 (d) requires some clarification to make it quite beyond doubt that the sole question of union recognition does or does not come within the scope of the Act. In this connection we mention the reports of two Boards of Conciliation which expressed some doubt on this point. Both of these reports were unanimous, that which dealt with a dispute between certain Gold Mining Companies at Kirkland Lake, Ontario, and their employees as reported on page 1351, *Labour Gazette*, November 1941, and that which dealt with a dispute between the Chrysler Corporation of Canada Limited, Windsor, Ontario and its



employees, as reported on page 397, *Labour Gazette*, April 1942. See also *Rex ex rel. Smith v. Martin*, (1942) O.R. 110 at 117, where it appears to have been argued by learned counsel for the accused striking employee that a dispute over union recognition is not a dispute within the meaning of the Act.

We think the Industrial Disputes Investigation Act should be promptly amended so as to make sympathetic strikes illegal. Strikes arising out of jurisdictional disputes between two or more unions should also, we consider, be declared illegal by amending the Industrial Disputes Investigation Act. We think there is no justification whatever for stoppages of work in cases where there are no disputes between an employer and his employees.

Of the principles in Order in Council P.C. 2685 we have no criticism. We are in complete and whole-hearted agreement with them and in response to the main criticism of the labour organizations, that this Order in Council is merely the expression of a pious gesture, we would state that we are quite agreeable to having this Order given the force of mandatory application, realizing that some of the principles enunciated might be better observed by some employees. We refer particularly to sections 5, 8 and 9 of P.C. 2685. Probably section 7 of this Order stands in need of some clarification of what is meant by the phrase,—“That employees, through the officers of their trade unions or other representatives chosen by them, should be free to negotiate with employers . . . with a view to the conclusion of a collective agreement.” Is it to be inferred from this that collective agreements should be concluded only *with* the employees *through* their chosen representatives, as in most railway agreements, or is it the intention that a collective agreement should be made *with* the chosen agency and, if so, should all employees be covered by the agreement or only those who desire to be represented by the particular agency? Subject to clarification of this point, and to the requirements of the Ontario Collective Bargaining Act, we are prepared to base our policy upon the principles set forth in P.C. 2685, provided the unions which we shall deal are agreeable to be governed by the same principles.

As to Order in Council P.C. 4020, the first comment we have to offer is that a most improper use appears to be made by unions of section 5, relating to the appointment of an Industrial Disputes Inquiry Commissioner to examine into any allegation that a person has been discharged or discriminated against for the reason that he is a member or is working on behalf of a trade union. It seems to us that many perfectly justified cases of dismissal are made the occasion of investigations. It should not be overlooked that section 6 of the same Order in Council expressly denies the right of employees to organize a union or to work for a union in their working hours at the place of their employment and we suggest that section 5 be amended so that a violation of section 6 would be admitted by Commissioners as justification for refusal to recommend reinstatement. As previously stated, the Ontario Collective Bargaining Act purports to set up machinery to deal with cases of alleged dismissal for union activity and we suggest that if the Ontario Act is allowed to operate there will be no necessity to appoint Commissioners under P.C. 4020 to examine into allegations of this nature.

The CHAIRMAN: Both this brief and the one which preceded it seem to have overlooked the fact that P.C. 3495 and P.C. 4020 pre-dated the Ontario Collective

Bargaining Act; in other words the Dominion Government had gone into the field. It seems to me there is some question as to just how valid the Ontario Act may be under the existing state of affairs, in certain situations.

Mr. McCULLAGH: I thoroughly appreciate that, but the Ontario Act does deal with some matters which are not specifically dealt with by the Dominion.

The CHAIRMAN: That is correct. I only made the suggestion when I saw this part you have just been reading—that there will be no necessity for P.C. 4020 to do certain things, and so on. I suppose the Dominion authorities could equally say there is no necessity for the Ontario Collective Bargaining Act to deal with a situation which is already dealt with under P.C. 4020 and the Criminal Code.

Mr. McCULLAGH:

Secondly, P.C. 4020 should be clarified to indicate if an Industrial Disputes Inquiry Commissioner has power to order on his own motion a vote of the employees in a plant. If so, the wording of the ballot paper and the procedure which governs the vote should be specified. We submit that the ballot paper should be designed to reveal membership in, rather than a desire for representation by or affiliation with, the union or unions in question.

Mr. COHEN: Why? You say so, but why?

Mr. McCULLAGH: Because to indicate the employees' desire does not indicate the strength of the union.

Mr. COHEN: We are concerned not with the strength of the union but with the employees' desire to negotiate with the employer through a particular bargaining agency. Why should the ballot indicate more than that desire?

Mr. McCULLAGH: We are also concerned with finding out whether or not it is a proper bargaining agency.

Mr. COHEN: That is a matter for the employees to decide. Suppose eighty per cent desire to select as their bargaining agency a union to which only thirty per cent desire to pay dues?

Mr. McCULLAGH: I am not taking objection to that.

Mr. COHEN: You are suggesting you find out their desire to accept the bargaining agency by their desire to become members of the agency?

Mr. McCULLAGH: Yes, but they would become members of the union, I think. The organized labour movement would not take any exception to that statement.

Mr. COHEN: You know otherwise, Mr. McCullagh.

Mr. McCULLAGH: I do not think I do. I would not think so.

Mr. COHEN: I suggest that you inquire before you make that statement.

Mr. McCULLAGH:

We would direct the attention of the Board, in referring to P.C. 7307, to the fact that it establishes a very important principle in labour relations. This Order in Council requires a strike vote of *all* employees before a strike can be legally commenced after the rejection of a Conciliation Board award. That is to say, that where an employee's working conditions or conditions of employment are affected by a dispute, that employee has a right to be given an opportunity of making his desires known, this regardless of whether he is a member of a trade union or not.

Hearing adjourned until 2.30 p.m.

Pursuant to adjournment the hearing was resumed.

The CHAIRMAN: Yes, Mr. McCullagh. You were at page 3 of your brief.

Mr. LALANDE: Before you go on to the next heading would you mind going back to the last sentence on page 2. There you seem to raise the question, in a sort of alternative form, of minority representation. Now, that is a question that has come up from time to time in the course of this inquiry. Would you care to express an opinion on that, referring to the last sentence at the bottom of page 2?

Mr. McCULLAGH: It is obvious that any collective bargaining agency that has secured a majority of the employees can only act on behalf of all the employees. You cannot have two separate agreements covering the same class of employees, so that it would naturally have to be established by the majority. I think there are some agreements entered into by unions covering only those who are members of the union. I wonder if the Board would care to express an opinion on that.

Mr. LALANDE: You might have an industry where there was more than one union established, and the agency to which you refer may not necessarily be a union. It may be a committee representing two or three unions, as the case may be.

Mr. McCULLAGH: Yes, but I think in practice you seldom have a committee representing two or three unions, except with craft unions, dealing with two or three crafts in the same plant. May I continue?

The CHAIRMAN: Yes.

Mr. McCULLAGH:

- (b) Should any such legislative action be adopted as a war measure only under the Authority of the War Measures Act, or should it be implemented in any way by legislative action with a view to extending any of these principles and policies into the post-war period?

Any amendment to the Industrial Disputes Investigation Act would, of course, have to be sanctioned by Parliament and would, therefore, be effective during the post-war period within the limited jurisdiction of the Dominion Parliament. To legislate now for the purpose of extending present or proposed policies into the post-war period at once raises the constitutional question of Provincial jurisdiction. Quite frankly, we do not see how any such legislation could possibly be enacted by the Dominion Parliament, consequently we believe any proposals or recommendations of this Board as to legislative amendments or legislative action must of necessity restrict the Dominion Government to the authority of the War Measures Act save only with respect to legislation which is clearly within Dominion jurisdiction and save only with respect to such legislative powers as the Provinces are willing to confer upon the Dominion Parliament. As to this last possibility we are quite unable to express an opinion although we note, as an indication of the trend, that the Minister of Labour of Nova Scotia has suggested something along this very line. But the question raises the whole matter of constitutional relations between the Federal Government and the Provincial Governments, a field which, we respectfully submit, does not enter into this inquiry. The matter was dealt with, in some respect at least, by the Sirois Commission and presumably consideration of its recommendations has been deferred for the period of the war. On the other hand we think there is some merit in the suggestion which we now submit for your consideration—that an attempt should be made to have each province agree to legislate uniformly on all matters affecting labour relations which



are within exclusive Provincial legislative competence. Such matters as collective bargaining, the right of workers to organize, the conciliation and arbitration of industrial disputes, minimum wages, etc., offer a fertile field for uniformity, supplemented by whatever Dominion legislation appears to be necessary, and we think this might well prompt a recommendation from this Board that the Dominion Government call, as early as may be expedient, an inter-provincial conference for the purpose of endeavouring to bring about an agreement to establish such uniformity.

- (c) What are the underlying causes of strikes and lockouts in wartime and what steps should be taken to avoid or deal with strikes and lockouts during the war?

It is our feeling that the record of this country with respect to time lost due to industrial disputes compares very favourably with any other country in the world where the right of workers to strike has not been abrogated by the State. It must be borne in mind that many more man-days have been lost to industry and the war effort by sickness, than by strikes and lockouts. Favourable as the record of Canada is, it could be better, and we believe it is quite possible to bring about a condition where such stoppages will not be possible, through the good sense of employers and employees working together in mutual co-operation for their mutual benefit and that of the public and the State.

The fact that strikes, serious strikes, have recently occurred in vital war industries, notwithstanding the existence of collective agreements containing a well-defined grievance procedure, would seem to indicate that other causes than inadequate grievance machinery or lack of collective bargaining facilities are responsible. It may be stated we think, that strikes occur, no matter what ostensible reason is given, because those creating or participating in the strike believe that they can impose their wishes on the employer or on the Government. To the extent that these wishes are for the amelioration of unjust conditions or for the satisfaction of reasonable requests the situation should be capable of rectification before the strike stage is reached, by Government intervention and compulsory arbitration if necessary. We think there is no justification for strikes in war industries. We submit further, as our opinion, that the vast majority of workers is opposed to strikes in war industries. Consequently when such a strike occurs it must be because of the failure of the employer or of the Government to adjust a matter necessary of adjustment, or because some employees (of whom, like other classes, there are a few, happily in the minority) are more concerned with taking unfair advantage of the present emergency by demanding better conditions at the expense of the community. The first class of strike should be prevented by preventing the cause. The second class should be fought with all the force which the Government can bring to bear. We do not think the present time should be used by any class of the community, be it employees, employers, industry or any other group, to extort preferential advantages.

The difficulty is to determine whether a strike is for a legitimate or for a selfish object. We submit that a properly formulated policy giving full cognizance to the right to organize, the right to bargain collectively, and the necessity for securing parties thereto, would prevent strikes where legitimate grievances exist, the assumption being that strikes which then occur would be unwarranted and should be ruthlessly stamped out.

Mr. COHEN: With respect to that, have you given any thought to the possibility that when a grievance procedure is set up it should be provided that

the employer should also resort to that grievance procedure to have the question determined before some change is put into effect? You say that strikes have occurred in vital war industries, notwithstanding the well-defined grievance procedure. Is there any reason why the employer should not have to resort to that grievance procedure before he puts something into effect that would be likely to create a grievance with his employees?

Mr. McCULLAGH: I am glad you asked me that question. You have said exactly what I have said myself. I have given some personal thought to some such a situation. I agree that the employer, before initiating some new practice or making a change, should discuss the matter with his workers' representatives and have the proposition accepted or rejected. If that were done I think we would have less difficulty with strikes occurring where new conditions have been introduced by the employer without discussion with the employees' representatives. I agree with you; I would like to see that practice extended as part of the grievance machinery.

Such a policy, we suggest, should have regard to the following points:

- (1) The Wartime Wage Control Policy and its administration.
- (2) Lack of adequate procedure for determining and confirming from time to time the proper bargaining agency for collective bargaining purposes.
- (3) The necessity of maintaining and enforcing the terms of any legislation, existing or future, in connection with strikes and lockouts.

As to (1), we think this Board should make a very definite announcement as to the necessity for wage control in any policy of price control as part of an anti-inflationary measure. There appears to be quite a substantial volume of opinion which would deny the necessity of any wage control whatever as part of our anti-inflation program and we fear that the greater part of this contrary opinion is to be found in the ranks of the very classes which would be most affected by inflation, namely, the wage earner. Indeed, many prominent trade union officials argue along these very lines, although there is a large group of trade union officers who loyally endeavour to carry out the Government's policy. We submit, therefore, that the board should publicly announce its views as to whether wage control is necessary, and, if so, whether it is to be rigidly administered or whether some elasticity may be allowed to enter its administration. In our view wage control is necessary, and we think that existing wage rates if fair and reasonable should not be increased if the status quo is to be maintained.

Mr. COHEN: I do not think anyone in this country would disagree with that statement. What standard do you take into account to decide what is fair and reasonable? Do you take into account the existing situation, or whether the wage is sufficient?

Mr. McCULLAGH: We have not dealt with it there. We do in another section. We say that any injustice should be capable of correction, and leave the responsibility upon you to do that.

There appears to be no doubt that much of the present discontent in the minds of workers arises from a feeling that wage control operates against their interests and if there is to be a successful wage control policy, we feel that the whole-hearted co-operation of the trade union movement is necessary. In order to secure this co-operation, we respectfully suggest that the Board should give its conclusions as to the necessity for wage control for we firmly believe that unless it can be demonstrated that wage control is an essential and integral part of price control, wage

control should in no circumstances be attempted. We think there should be a much more comprehensive publicity campaign to vividly portray the real meaning of price control and wage control.

(2) A large number of the present day disputes centre around the one question of a union as the bargaining agency for the workers. Apart from the doubt if this is a proper matter to be dealt with through the medium of the Industrial Disputes Investigation Act and that, in Ontario, it is now capable of being dealt with under a Collective Bargaining Act, we think that for the period of the war some agency of the Dominion Government should be established which would have power to determine whether organizations seeking recognition for collective bargaining purposes do, in fact, have the requisite authority to act for the employees on whose behalf they claim to act; and we do not think that such a question of fact need necessarily be determined by means of a vote. In many cases the vote gives an opportunity to employees who are not members of a union and who have no intention of becoming members, of voting for the union in the hope of being able to participate in whatever benefits the union can obtain but without accepting the responsibilities which go with union membership. We think the authority of unions to act on behalf of employees derives from one source and one source only, namely, the willingness of such employees to become members of the union and to remain members through the regular payments of the prescribed dues. A Government agency, such as we envisage, should have power to determine that fact on the basis of an examination of the union's paid-up membership records. We cannot condemn too strongly the methods used by some organizations in distributing cards to employees for signature, cards purporting to be applications for union membership, which are frequently signed and accepted without payment of any fee whatsoever, but which are subsequently used to bolster the union's claim that the majority of the workers in a given plant are paid-up members.

Mr. COHEN: What about cards of the same kind in connection with company unions?

Mr. McCULLAGH: They fall in the same category. I have knowledge of the fact that some union's object to so-called company union's distributing cards. I think their objection is well taken.

In this connection, we quote a section from the recent amendment to the British Columbia Conciliation and Arbitration Act. Section 2 defines a "Member of a Trade Union" as:—

"a person who has been duly admitted to membership in a trade union, who has continued such membership for a period of not less than three months, and who retains such membership and is in good standing according to the constitution and by-laws of the trade union, and whose dues in the trade union are not in arrears for more than six months."

(3) There appears to be little doubt that the existing Dominion Government legislation and Orders in Council have failed to prevent and settle the present dissatisfaction in labour circles. The machinery of the Industrial Disputes Investigation Act is cumbersome and slow and, to the extent that it is used to handle disputes arising out of union recognition demands—and it appears that practically 90 per cent of all Boards established are to deal with this one question—gives rise to awards and decisions which are at variance with each other and in some cases actually inconsistent with the existing policy of the Government itself. If some method could be instituted which would automatically dispose of this



question we feel that recourse would not have to be had to the Industrial Disputes Investigation Act which would, however, still remain in effect to take care of any disputes involving other questions. While it is correct to say that most of the strikes occurring recently have been in violation of this Act, we do not urge that prosecutions be launched where there is reason to believe that the strike, no matter how unjustified in war time, occurred because of a legitimate grievance. If, however, the question of union recognition and collective bargaining can be dealt with along the lines we suggest, and if, in return for this, the unions would agree to some form of compulsory arbitration of disputes arising out of agreements then we would say that any strike occurring thereafter, or in violation of the terms of an agreement, before utilizing the machinery of the Industrial Disputes Investigation Act, would be illegal and, as such, should be dealt with in accordance with the penalty provisions of the Industrial Disputes Investigation Act, supplemented by amendments or Orders in Council or administrative practice along the following lines:—

(1) No conciliation or investigation of illegal strikes or lockouts, or the assistance of any Government agency to be given until, after having been instructed by the Minister of Labour, work is resumed. The Minister of Labour should be authorized to declare whether or not a strike or lockout is illegal.

Mr. COHEN: On the face of that it looks very good, but what are you going to do for the worker who is locked out? You are not going to deal with the lockout until he is put back to work.

Mr. McCULLAGH: There should be some provision to recompense the worker who has been locked out. We did not deal with that. We did not think of it.

(2) In case of refusal to resume work, the penalty provisions of the Industrial Disputes Investigation Act to be promptly and impartially applied, not only to those creating an illegal lockout, not only to those taking part in an illegal strike, but also to those who incite such action.

(3) In addition to the proposed amendments to the Industrial Disputes Investigation Act as previously mentioned, relative to declaring illegal sympathetic strikes and strikes resulting from jurisdictional disputes, we also suggest that the Criminal Code be amended so as to prohibit all picketing in illegal strikes.

We are convinced that action along these lines will have the effect of eliminating illegal strikes.

As a final suggestion we would advocate some form of compulsory arbitration of disputes arising out of collective agreements which cannot be disposed of through the grievance machinery in the agreement itself. We think no objection should be raised to the compulsory arbitration of disputes, apart from disputes arising from failure to agree on the terms of the agreement itself which, we think, might well be left within the scope of the Industrial Disputes Investigation Act or to the Provincial agency.

Mr. LALANDE: Are you speaking there in terms of a permanent body or board to deal with it?

Mr. McCULLAGH: Yes, I think we have in mind some sort of continuing body, which might well be this Board, and when a decision is reached by the arbitrators it would be binding on both parties.

## *II. As to Wages, Cost-of-Living Bonus and Associated Questions*

(a) Generally as to the existing provisions of P.C. 5963 and the administration thereof.

As mentioned above, we think the Board should definitely consider whether control of wages is an essential part of price control and anti-inflation. If it is, and we think it is, it should be made quite clear that the policy underlying P.C. 5963 is to be unequivocally adhered to despite pressure from sectional or factional groups; that Government Boards are determined to maintain the policy and that it is to the interests of employers, employees and employees' organizations to loyally support it.

Injustices should be capable of being remedied, but this is not the time to correct all the inequalities in the social structure. If the workers are genuinely protected against any impairment of their purchasing power through increases in the cost of the necessities of life (and there is no evidence whatever that purchasing power as expressed by earnings is less than it was in 1939) it is the most that can be hoped for at this crucial stage of the war.

We agree with the criticisms of the labour organizations that decisions of Regional Boards are frequently delayed. We concur in the suggestions already made that Regional Boards function full time if necessary and we further suggest that the Regional Boards be reconstituted after the pattern of the present National Board so that they consist of three members and be divorced from all political or governmental affiliation.

We suggest that the National Board issue a direction to all Regional Boards instructing them to deal with application for wage adjustments. We should add cost of living bonus adjustment on their merits regardless of the fact that employers and employees may be negotiating on other matters. We have in mind the case of one of our member companies whose employees were deprived for several months from receiving over-time pay because the Regional Board declined to act on the application without the approval of the Union concerned and the Union in turn refused its approval because collective bargaining negotiations between it and the employing company had not been concluded although negotiations were then pending.

Mr. COHEN: What case is that?

Mr. McCULLAGH: The Welland Vale Manufacturing Company. An application has been made on behalf of three plants, granted in two, and in the third we were informed no action would be taken.

Mr. COHEN: You are aware of the fact that trade unions are being told the same thing, that until their right to represent the employees in the application is established no application will be acted upon. There will be no delay if these recommendations are adopted?

Mr. McCULLAGH: No.

We note with satisfaction that the reconstituted National Board has provided for appeals to it from decisions of Regional Boards. We urge, however, that leave to appeal be not granted merely because one party to an application is dissatisfied with a decision. Leave to appeal should only be granted if the Board is satisfied that some factor has not been given proper consideration or in cases where the appeal involves some question of general application or importance.

(b) What, if anything, should be done to bring about more uniformity in the amount of cost-of-living bonus?

Notwithstanding the statements already made to this Board that the cost-of-living bonus should be made uniform to all workers on the basis of the maximum now payable, 17 points, we maintain that no justification whatever exists for such a step. To do this would be discrimination in

favour of workers who were able to secure wage adjustments between August 1939 and November 1941, and would result in other workers immediately applying for wage increases after the bonus had been brought to the maximum. In spite of statements to the contrary, the greater number of wage increases between the outbreak of war and the application of wage control were given specifically to compensate workers for increases in the cost of living. It is true that when the cost-of-living bonus was made mandatory a great number of employees were receiving no cost-of-living bonus at all, with the result that these workers are now in receipt of only 60 cents per week, or 2.4 points. We submit, however, that there is nothing to prevent these, or any other employees not receiving the maximum from petitioning the appropriate War Labour Board, under the provisions of section 34 (3) of P.C. 5963, for payment of a cost-of-living bonus calculated upon the index for an earlier date than October 1, 1941, which, if granted, would give them more than that presently paid under the terms of the last General Order of the Board.

(c) To what extent and under what circumstances should new conditions of work be ordered or authorized which involve increased cost of production?

It is our view that this should be a matter for negotiation between the employer and his employees.

(d) Should there be a floor below which the Wartime Wages Control Order need not be operative?

There is at present such a floor in industries engaged in war work at least. Under the terms of P.C. 7679, which amends the Government's Fair Wage Order in Council, no employer engaged on war contracts may pay male employees less than 35 cents per hour nor female employees less than 25 cents per hour. If the regular wage scale of the employer is less than these figures he is required to increase them so long as he is engaged on Government contracts without regard to the provisions of the Wage Control Order. It may be that this floor is too low but there have been indications that in some sections of the country it is considered too high. It may also be that this floor is restrictive in that it only applies to plants engaged in war work. This is a matter for the Board to decide upon—we merely mention that the principle of a floor below which the wage control order need not operate is actually in effect.

(e) To what extent should local zone or national standards govern conclusions as to wages?

The application of national standards in determining wage rates would undoubtedly mean that uniformity on the basis of the highest rate payable in any classification or in any plant or in any industry would be sought. Because natural factors governing productivity of labour, proximity to markets, access to raw materials, management efficiency, type and efficiency of equipment, etc., determine the variations in wage rates, any uniformity would have to be done at the expense of the Government and would establish an entirely uneconomic wage scale. This would lead to confusion under the return to a system of free enterprise and competition after the return of peacetime conditions—we think it would even militate against that condition of maximum employment which should be the first responsibility of industry after the war.

Any conclusions as to wage rates and the administration of wage control must, we think, be based upon local but certainly upon no wider basis than zone standards.



(f) To what extent should a "living wage" govern policies and decisions and what are the data and considerations relevant thereto?

If a "living wage" is to govern policies and decisions, it will first be necessary to define exactly what is meant by the term "living wage" and whether different consideration is to be given to single workers, married workers, size of families, etc., all of which determine the living wage for individuals. It also involves the question of how the cost-of-living index is to be measured, i.e., whether the family budget should be based, as at present, upon what the average standard is, or upon what it is felt it *should be*.

MR. COHEN: There is no suggestion that a person gets a cost-of-living bonus based upon the average standard, what it costs the average family to live? There is no suggestion that that is the average standard income?

MR. McCULLAGH: My understanding is that in determining that they surveyed over 2,000 families, not with a wage of \$1,400 odd, but within the range from \$800 to over \$2,000, and as a result determined what that average was.

MR. COHEN: They took what they regarded as a typical family within that group?

MR. McCULLAGH: Within a group which had a fairly wide range.

MR. COHEN: That is quite true, but there is no suggestion that that group was within its range reflective of the country, nor the slightest suggestion that \$1,414 represents the average standard of wage earners.

MR. McCULLAGH: My understanding was that that was taken to be typical, and considered to be applicable to citizens as an average.

MR. COHEN: There is no suggestion of that at all.

MR. McCULLAGH: I stand corrected on that point. That was my understanding.

The budgets compiled by the Canadian Welfare Association and by some trade unions, excellent as they are, are in this latter class. While we fully subscribe to the principle that the worker should be enabled to earn sufficient to maintain himself in dignity, and that the only realistic wage policy is that which permits payment of the highest possible scale of wages having regard to all factors in a given situation, we nevertheless feel that the determination of a wage policy on the basis of a "living wage" raises sociological questions of such profound importance that its adoption in wartime would lead to wholesale dislocation of industrial conditions in peacetime, for the same reasons as have been given in the preceding paragraph dealing with national standards of wages.

### *Labour Representation on Boards*

In conclusion we would like to state that we fully agree in principle with the claims that organized labour be given competent representation on War Boards and Commissions. We do not think it necessary or desirable that equal representation be given, that is, that numerical strength of labour should equal that of other representation. In most cases officials of these boards and commissions have been selected for their expert knowledge in certain fields but we believe that labour occupies a sufficiently important place in the country's present stage of development to recognize that it has a great deal to contribute to the administrative as well as to the legislative side of government, especially in wartime.

THE CHAIRMAN: Thank you very much, Mr. McCullagh.

Mr. Peter DUNLOP (Secretary, Hamilton Labour Council): Mr. Chairman and members of the Board:—

On behalf of the Hamilton Labour Council, I wish first of all to express our appreciation of your decision to conduct this inquiry into wages, labour-management relations and the other questions that are closely linked up with our country's war production effort. We feel confident that the results of this inquiry will show in the most revealing fashion, the urgent need of a change in our government's war-labour policy and the present wage structure.

In placing this brief before you for your consideration, we would like it to be understood that the material herein contained, is supplementary to the briefs that you have already heard and the recommendations that they contain. We feel it important, however because of the very critical situation that exists in the city of Hamilton on the production front, that you should have a comprehensive picture of the conditions as they are. The Hamilton Labour Council is comprised of the following Unions in their respective plants:—

United Steelworkers of America, Local 1005—Steel Company of Canada, Hamilton Works.

United Electrical, Radio and Machine—Sawyer-Massey Co. Ltd. Workers of America, Local 520.

United Electrical Radio and Machine—Otis Fenson Elevator Co. Workers of America, Local 515.

United Steelworkers of America, Local 2352—National Steel Car Corp.

United Steelworkers of America, Local 2853—Welland Vale Mfg. Co.

United Steelworkers of America, Local 2868—International Harvester Co. of Canada Ltd.

Amalgamated Clothing Workers of America,—Firth Brothers Ltd. Local 210.

Amalgamated Clothing Workers of America,—Cornell Taylors Ltd. Local 210.

United Electrical, Radio and Machine—Westinghouse Co. Ltd. Workers of America, Local 504.

United Steelworkers of America, Local 2537—Hamilton Bridge Co. Ltd.

At this time, when we celebrate the great victories of North Africa and prepare to launch the final offensive on the continent of Europe, for the victory of the United Nations, the greatest unity of the nation is needed to fulfil the great tasks that lie ahead. Labour generally and the organized trade union movement particularly, have an extremely important part to play in the victory that will be ours. They have the task of guaranteeing that the armed forces of Canada and the United Nations will not be wanting in the tools that will finish the job—that production will be maintained and increased to meet the ever increasing demands of the fighting forces. The Hamilton Labour Council and its affiliated Unions are pledged to shoulder their share of the responsibility and will do everything possible to guarantee that this important steel city of Canada will make its utmost contribution to Back the Attack. However we state, that the willingness of labour to do its share is not sufficient alone. Maximum co-operation between government, management and labour is imperative, in this people's war to defeat the fascist axis.

That this co-operation has been completely lacking in the past, can be seen if we view the situation that exists at the present time in the city of Hamilton. We state with all earnestness that it is critical.

At this very moment 1,000 workers of an important steel company are out on the streets. The strike of the workers in the Hamilton Bridge works is not an isolated case, but is part of the struggle that is taking place on the entire labour front, a struggle on the one hand on the part of the workers to gain recognition as a partner in their plant's production effort, to have their unions recognized, to bargain collectively with their employers and to adjust the many burning grievances that hamper directly, or indirectly, their effort in production; and on the other hand waged on the part of the employers to curb and limit their workers participation.

It has been apparent for many months, and particularly during the hearings that were held in Toronto on the Ontario Collective Bargaining Bill, that the big industrialists of this city have united in a carefully planned campaign to undermine the growing trade union movement and block the path of trade union recognition and collective bargaining—a drive that is reaching large proportions and threatens the very principles for which our brothers and sisters in the armed forces are prepared to lay down their lives. This anti-labour conspiracy, coupled with an intensive campaign on the part of the manufacturers to organize company controlled “unions,” has provoked a situation that is breeding discontent, disunity and friction that is bound to result in loss of production. There remains no doubt in our minds that this concerted drive to keep the workers from organizing into their trade unions and to maintain Hamilton as an open shop stronghold, has been sponsored as a result of conscious planning and organization in a united fashion by the industrialists concerned. This was openly demonstrated during the time of the second reading of the Ontario Collective Bargaining Bill in the legislature, when 54 of the most powerful and influential manufactures of Hamilton, addressed a letter to every member of the provincial house, frankly stating their opposition to the Bill, because in their opinion, it would mean “a complete disruption of the existing economic balance of power.” The letter was signed by the following industrialists: The Canadian Drawn Steel Company; The Stanley Works of Canada, Ltd.; The Steel Company of Canada, Ltd.; Stanley Steel Company, Ltd.; National Steel Car Corporation, Ltd.; Kerr & Coombes Foundry Co. Ltd.; Burlington Steel Company, Ltd.; Wallace-Barnes Co., Ltd.; Currie Products, Ltd.; Remington Rand, Ltd.; United Carr Fastener Company of Canada, Ltd.; Union Drawn Steel Company, Ltd.; The Proctor & Gamble Company of Canada, Ltd.; Smart-Turner Machine Co., Ltd.; The Steel Company of Canada, Ltd. (Canada Works); Frost Steel & Wire Company, Ltd.; Canadian Industries, Ltd.; Dominion Foundries and Steel; City Chevrolet Sales, Ltd.; International Harvester Company of Canada, Ltd.; Sovereign Potteries, Ltd.; A. H. Tallman Bronze Company; Canadian Westinghouse Co. Ltd.; J. R. Moodie Co. Ltd.; The Ford-Smith Machine Co. Ltd.; Canadian Porcelain Company, Ltd.; The Hoover Co. Ltd.; N. Slater Co. Ltd.; Mercury Mills Ltd.; International Silver Co. of Canada, Ltd.; Otis-Fensom Elevator Company, Ltd.; John Bertram & Sons Ltd.; American Can Co.; Canadian Cannery, Ltd.; Duro Aluminum, Ltd.; National Hosiery Mills, Ltd.; Canadian Fanner Company, Ltd.; Hamilton Bridge Company, Ltd.; The Hamilton Cotton Company, Ltd.; Consumers Lumber Co., Ltd.; Brown Boggs Foundry and Machine Co., Ltd., United Gas & Fuel Company of Hamilton, Ltd.; Boston Insulated Wire & Cable Co., Ltd.; Sawyer-Massey, Ltd.; Canadian Cottons Limited; Hamilton By-Product Coke Ovens, Ltd.; Chipman Holton Knitting Co., Ltd.; The Chadwick-Carroll Brass and Fixtures, Ltd.; Gartshore-Thomson Com-



pany, Limited and Norton Company of Canada; Hamilton Motor Products, Ltd.; Aerovox of Canada, Ltd.; National Paper Goods, Ltd.; Cosmos Imperial Mills Limited.

Mr. COHEN: Have you a copy of that letter?

Mr. DUNLOP: Yes.

Mr. COHEN: Do you mind handing it to the secretary so that it may go into the record?

Mr. DUNLOP: I will do that.

(For letter referred to, see Appendix A.)

Mr. DUNLOP: To continue:

We place this statement before you in its entirety. In our opinion it proves without a doubt our previous contention that there is a bold conspiracy afoot; which unless quickly uprooted, threatens to disrupt the industrial life of our community's and Canada's war effort. We have the evidence that huge sums of money were spent for the purpose of slandering and defiling the trade union movement in the numerous advertisements and statements published in the leading newspapers across the country by the companies themselves, such as the advertisements issued by R. H. McMaster of the Steel Company of Canada (See Appendix B) and by W. D. Black of the Otis Fensom Elevator Company (See Appendix C) and in addition to this, obviously company inspired advertisements, which were published by so called "independent" employees associations. As an example of the latter, we draw your attention in particular to the advertisement issued by the so-called "Free and Independent Employees' Organizations and Associations," under the signature of one Thomas Thompson, who has proven to be a caretaker for the Russell T. Kelley Limited, advertising agency, which handled the advertisement. (See Appendix D.) This ad. was published during the time of the debate on the Ontario Collective Bargaining Bill and was exposed by J. P. MacKay, M.L.A. of Hamilton East as having been plotted and planned in the Tamahaac Club of Hamilton, a congregating place of the local industrialists. The signature of Thomas Thompson was merely a front to cover up for the anti-labour conspirators. We are placing these statements and advertisements before you as evidence of the level that the campaign to block the Ontario Collective Bargaining Bill reached, and the extent to which the manufacturers of this city have gone to curb the growing trade union movement.

Simultaneously with the publicity campaign of slander that was launched against the trade unions, an intensive drive to organize company unions was instigated. During the campaign for the Ontario Collective Bargaining Bill, the main fire was directed towards quashing the bill and undermining the trade unions. Since the bill was passed, they have changed their tactics and while still pursuing their policy of attacking the bona fide trade unions, they are intent on organizing their company controlled unions. They are at the present time conducting a drive for membership which they never had before and to have their so-called unions recognized as collective bargaining agencies by the Labour Court and the Act which they fought so bitterly against. Works Councils and employees associations are being transformed overnight into these so-called bargaining agencies and agreements are being signed between these company unions and the managements.

These Works Councils and other associations formerly had their offices in the plant, but these disappeared and independent unions took their places.

The most fraudulent methods are being employed to sponsor these company unions and to get the "agreements" signed in the plants. Alderman R. R. Evans, K.C., who has long been recognized as a company lawyer, has now come out openly as "union" organizer, joining with such well-known company union representatives as R. R. McKelvy of the Canadian Westinghouse Company Ltd. Mr. McKelvy's status with the Westinghouse Company is well known. He has had offices on the property of the Westinghouse Company, supplied by the company, until two weeks ago when suddenly a new sign appeared on Mr. McKelvy's office door at the East End plant: "Westinghouse Employees Credit Union." The fact remains that Mr. McKelvy and Alderman Evans are busily occupied promoting the so-called Canadian Westinghouse Employees' Association and are branching out in an attempt to organize workers in Guelph and other plants in Hamilton. Their most recent venture was made at the Hamilton Cotton Company, Ltd., Mary street, where they are attempting to suddenly transform the company organized Works Council into an "Independent" Employees Union, for the purpose of signing an agreement and gaining certification under the Ontario Labour Court.

The Hamilton Bridge Company case is one of which the Board should take particular notice. There the union started to organize in 1941, and approached the management for a collective bargaining contract. The management then met with the union and said no further negotiations could be carried on because the majority of the workers had approved the establishment of a plant committee. There was no vote to establish this committee; the method was for each foreman to interview each worker individually in the plant. We give a case history here.

The case of the Hamilton Bridge Company illustrates in the most glaring manner the anti-labour attitude of the employers of Hamilton and their determination to throttle the organization of their employees and to foist company controlled "unions". That and the other cases that we will cite, in our opinion prove conclusively that the policies that are being pursued in these plants, are not policies worked out or decided upon by the individual manufacturers concerned, but are as a result of joint decisions and plans laid down by the members of the Canadian Manufacturers Association of Hamilton and there remains no doubt in our minds that these decisions are enforced by the largest and most powerful industrial concerns of this city, such as: The Steel Company of Canada, Dominion Foundries and Steel, Canadian Westinghouse Co., Otis Fensom Elevator Company, International Harvester Company and others; and that the smaller concerns are made to "toe the line".

Each of the following case histories prove further that the present policy of the Federal Government and the Department of Labour, is completely inadequate to cope with the situation and because of this inadequacy, has helped to aggravate the crisis that exists.

#### *Hamilton Bridge Company*

Local Union No. 2537, United Steelworkers of America, was first organized in 1941 and in December last approached the management of Hamilton Bridge Company for negotiation of a union contract. It was obvious at that time to the company that the majority of their employees favoured the union as their bargaining agency. The management met with the union representatives once or twice and then categorically refused to enter into negotiations. Knowing full well that their workers favoured the United Steelworkers of America, the management launched a drive to

organize a company union. A foreman made the rounds of the workers during working hours and asked each worker directly whether he or she was in favour of setting up a so-called plant committee. There was no vote of any kind taken in the plant to decide whether or not the workers approved such a plan. The management then announced that a majority had "approved" establishment of a plant committee. This allegation was later proven false.

An election was held in the plant to decide the members for the Shop Committee. Eighteen of the 25 workers elected to this committee were union members. The committee immediately called upon the management to recognize the United Steelworkers as the bargaining representative of the workers and to open negotiation with Local 2537. The management refused the request of the committee that it had itself set up. No other path was left open but for the committee to resign and the union applied for a Board of Conciliation.

Despite the fact that the vast majority of the members of the Shop Committee resigned and the committee had completely collapsed, in the meantime the management made an announcement at the Board of Conciliation hearings, that it had already signed a collective bargaining agreement with the Shop Committee, which in their opinion represented the whole plant and therefore could not sign an agreement with the union.

That collective bargaining agreement is contained in this exhibit, which I will hand in. (See Appendix E.)

The disastrous course that was followed by the Federal Department of Labour is indicated by the fact that the Board, in its report, in the face of the indisputable fact that the union represented the majority of the workers, recommended nevertheless, that the company union "be permitted to function and be recognized as the collective bargaining agent of the employees until December 31, 1943."

This recommendation was made, it should be noted, even though the Board admitted in its report, that the company union had still to "complete its organization," had still to "establish its constitution and by-laws" and "That some doubt existed in the minds of some employees as to whether the election of the shop committee constituted the collective bargaining agent of the employees in perpetuity." In short, a government board calmly proposed that a legitimate, established union, speaking for a majority of the employees, be shoved aside as bargaining agent by a creation of the management that did not really exist and admittedly did not even have a constitution or by-laws. On April 17, it finally came to light that the company's statement to the board, that it had "negotiated" a contract with certain members of the company union was a complete falsehood. The company itself admitted that while certain company union stooges had signed the "contract" before the board opened its hearings, the management signed it only after the hearings were over. The company had based its argument before the Board on a contract that didn't even exist.

Needless to say, the recommendations of the Board of Conciliation were turned down by the workers. The union applied for a government conducted strike vote, which took place on April 20 and completely exposed the conspiracy of the company. The question was: "Do you intend to go on strike in protest against accepting the Board's recommendation that recognition of Local 2537 be deferred until after a vote is taken in January 1944." The number of votes cast was 750. Of these 611 voted "Yes," 113 voted "No" and 26 were spoiled ballots. That the company itself recognized that the majority of the workers stood with the union is shown by the fact that when the strike vote was applied for, it made a



statement to the press stating that in the event of a strike there would be no need of holding a picket line at the gates because the company would not attempt to operate. It further showed that the company had made up its mind that under no eventuality would it recognize the union and rather than sign an agreement it was prepared to close the plant and halt the production of important war materials.

After the vote was taken, the union went to the management with the conclusive evidence that the vote contained, and urged them in the interest of keeping up production and avoiding the strike, to open negotiations. Negotiations were open and both parties came to a general agreement on a proposed contract, but the company stated that, only after the union had received certification from the Ontario Labour Court, would they sign the agreement.

Mr. COHEN: What do you mean by certification?

Mr. DUNLOP: Before the Ontario court, which is not yet set up.

In the meantime the company pursued a policy, of still further aggravating the critical situation that existed, by instituting a bonus system which showed glaring inequalities, varying from a few cents (bonus) to thirty odd dollars in two weeks for production work on an equal number of cars produced. Pay day had been changed from Friday to Saturday, without notice, preventing the usual Saturday morning family marketing. Hours had been reduced and no increase or at best inadequate adjustments, were given to hourly paid employees.

After having been kicked around, tricked and insulted for almost a year, the workers of Hamilton Bridge came out in a legal strike for union recognition.

The union had delayed the strike on three different occasions. The men were stopped from coming out, but we finally felt there was nothing to do but come out.

Although the management had pretended to hold out for certification of the union by the Ontario Government's labour court, it refused to meet with Ontario Labour Minister Peter Heenan, who sought to settle the dispute, stating that it refused to deal with anyone but the Federal Minister of Labour. No action to settle the strike has been taken by the Federal Department of Labour, despite the fact that they have the power to send in a controller to take over the plant and end the strike by recognizing the United Steelworkers Union.

The policy that has been pursued by the Hamilton Bridge Company, has been followed by all the companies where unions affiliated to the Hamilton Labour Council are organized, and we state that they are taking advantage of every weakness in the Dominion Government's labour policy, to carry on their anti-labour activities, to split the unity of the workers, cause dissension and disharmony, which can do nothing but cause disruption in production.

That strike is still on. The company closed down plant No. 2 for three months. It is supposed to be for re-tooling. There is pretty much agreement between the Department of Munitions and Supply and the company. Here is an advertisement of the company which appeared on May 26th I will hand it up. (See Appendix F.)

Mr. COHEN: You want all these documents to be assumed as having been read into the record?

Mr. DUNLOP: Yes. I now go on to the National Steel Car Corporation:—

*The National Steel Car Corporation*

The case of the National Steel Car Corporation is one of the outstanding examples. Despite the fact that a vote was taken in the plant two years ago that gave the United Steelworkers of America, Local 2352, a two to one majority, the company has not yet signed an agreement, although in the spring of 1941, a government controller was installed in the plant, precisely because the company had refused to deal with the union.

Until the plant reverted back to the company in August 1942, the government took the position it could not sign a collective bargaining agreement with any single organization. It therefore gave equal status with the United Steelworkers of America, to the notorious company union headed by Peter Tully. Peter Tully and his company union had their offices established on company property. They joined with the rest of the company union stooges in Hamilton in the campaign to block the passing of the Ontario Labour Bill. The steelworkers union has continued to grow and gain in strength.

Mr. COHEN: Do you mind looking at that advertisement which you just handed in? I think you said there was some indication there that one of the plants was to be closed down.

Mr. DUNLOP: That was announced later.

Mr. COHEN: Unless you read it in the statement in the advertisement that certain sections of the plants were to be operated on one shift instead of two as previously.

Mr. DUNLOP: The announcement which followed that said that the plant would be shut down.

Since August 1942, the union has on three occasions asked the company for an interview to discuss a collective agreement. The company has refused to even acknowledge these requests. Thus the government policy in this instance has merely served to perpetuate the original condition. Nothing has been done by the Federal Department of Labour to bring about a solution and as at Hamilton Bridge, the situation has entered the same critical state as in the spring of 1941 when two strikes took place. This condition is made more critical by the announcement that approximately 1,000 workers of the National Steel Car are about to be laid off or transferred to other jobs, because of the changeover that will take place in production from defensive to offensive weapons.

The impending layoffs and transfers caused consternation and a feeling of insecurity in the ranks of the workers of National Steel Car, because while they realize the necessity of the changeover and welcome the preparations for the offensive, they want to make sure that the transfers are made in a just and organized manner. They want their union to be recognized and allowed to co-operate with the management and selective service in the planning and execution of the changeover and to defend their interests on wages and seniority. This is being denied them by the arbitrary refusal of the management to accept the union as the recognized bargaining agency of its employees, while giving recognition to the Tully outfit. Encouraged by the management, this so-called National Steel Car Employees' Association is at the present time campaigning for membership and despite the fact that it has in no way been able to claim that it represents the employees, is meeting with the management as a recognized bargaining agency.

We next deal with the Otis-Fensom Elevator Company.  
*Otis-Fensom Elevator Co.*

The history of the struggle of Local 515, U.E.R.M.W.A., representing the workers at Otis-Fensom Co., illustrates clearly the need for collective bargaining legislation. The union was first formed some eighteen months ago, management opposition started immediately. Evidence of this was clearly demonstrated when arising out of two discharge cases, concerning two union members, the evidence was such that Mr. Louis Fine, acting as arbitrator, ordered the return to work of both parties. The methods adopted by the company, included a grievance procedure arbitrarily introduced by the company without consultation with the union, which was withdrawn after the union had successfully used its terms in the aforementioned discharge case. Then appeared an Industrial Relations Committee, which upon being rejected by the workers, was followed on the one hand by a new grievance procedure posted by management and better designed to protect their interests than the original and significantly enough an independent union made its appearance, headed by members of the dissolved Industrial Relations Committee. In a number of instances open recruiting for the independent union, was carried on by foremen during working hours.

On or about November 24th, 1942, the president of the local union was discharged on a flimsy excuse. This resulted in a serious situation developing at the plant. Mr. J. P. Nicol, Industrial Relations Officer, arrived in Hamilton and on the evening of November 26th, succeeded in bringing management representatives and the union executive together. The result of the discussions were that the president returned to work, and the committee was advised that management would consider a plant vote to decide the bargaining agency for the workers at the plant. Mr. Black indicated to Mr. Nicol and the union committee the answer would be in the affirmative. It should be borne in mind that repeated attempts by the union to discuss collective bargaining had been refused by management and that it was only when management was faced with a serious situation that they met. This clearly shows that management was well aware that the union represented a large section of their workers, if not a clear majority.

As evidence of this we submit copies of the following communications. The first is a letter from the president of the Otis-Fensom Company to the president of the union. Here he clearly recognizes the union as a force in his shop. The decision of the company regarding the plant vote was in the negative.

The second is a communication from J. P. Nicol, Industrial Relations Officer in the case, who states he "is prepared to recommend a Board of Conciliation". Further evidence that Mr. Nicol was of the opinion that the union represented the majority of workers at Otis-Fensom and had demonstrated the fact to his satisfaction.

HAMILTON, Ontario,  
November 26th, 1943.

UNITED ELECTRICAL RADIO & MACHINE WORKERS OF AMERICA,  
Local 515, 472 Barton St. E., Hamilton, Ont.

*Attention: Mr. Bruce D. Holt*

Dear Sir:—Pursuant to discussion which took place Thursday, November 26th, would confirm that we have under advisement the matter



of a plant vote, under the Department of Labour, to determine the extent to which our employees desire you to represent them in bargaining and other matters dealing with management-labour relations.

A decision will be forwarded to you in a week or ten days' time.

Yours very truly,

President (W. D. Black).

Room 1205, 45 Richmond St. W.,  
Toronto, December 5th, 1942.

Mr. BRUCE D. HOLT,  
President, Local 515 U.E.R.M.W.A.,  
472 Barton St. East,  
Hamilton, Ont.

DEAR SIR,—I have for acknowledgment your letter of the 4th instant, with reference to your request for a government commission, or board of conciliation to investigate labour-management relations at Otis-Fensom Ordnance, Hamilton, and their refusal to recognize your union or take a vote of the employees to ascertain their desires in this regard.

While the undersigned is prepared to recommend a Board of Conciliation upon which your representative would be appointed, it is necessary to send in formal application for this Board before such can be granted. I am enclosing the necessary forms, which you should fill in without delay and mail to the department at Ottawa. I will mail in my report regarding same, so it will be before the department when they receive your application, and this will avoid any unnecessary delay.

Yours very truly,

J. P. NICOL,  
*Industrial Relations Officer.*

The union hopeful that collective bargaining could be established, continued to make representation to the company. Failing to make any headway, because of the attitude of the management, the union finally applied for the promised Conciliation Board on February 15, 1943.

Mr. Nicol was appointed commissioner on the 23rd February, 1943, and duly arrived in Hamilton. Previous to his arrival, the company had caused to be published in the public newspaper, a large advertisement containing a letter from Mr. Black, President of the Otis-Fensom Co., to Hon. Humphrey Mitchell.

That is the letter in the advertisement I have handed in. (See Appendix C.)

This scurrilous document denied the need for a Board of Conciliation and was of course, applied pressure on the supine Department of Labour. In spite of the minister's public reply, the pressure apparently worked. The union was confronted by Mr. Nicol, with demands to prove a majority of members in the shop. The union produced Mr. Nicol's letter aforementioned in the brief. The union was informed that the commissioner had received a severe reprimand from his superiors for writing that letter. (It is interesting to note that M. M. Maclean, Director of Industrial Relations said on May 19, after the department had refused the union's application, that he knew nothing of the letter or the recommendation.)

Mr. COHEN: Where is this letter from Mr. Maclean?

Mr. DUNLOP: It just came yesterday.

Mr. COHEN: You will file that with the secretary?

Mr. DUNLOP: Yes. I would also like to file this notice setting up the employees' Association. (See Appendix G.) To resume the brief:—

The contention of the local union is that someone is lying and that the Department of Labour is prepared to give in to the pressure brought to bear by this powerful concern rather than accept the recommendation of its own representative. This contention is strengthened by the fact that the Hon. Humphrey Mitchell, Minister of Labour, himself declared in his letter of February 19, in reply to Mr. Black's letter, that "I cannot share your alarm about the possible consequences of the appointment of a Board, even if at the very worst, only a negligible minority of your employees were in favour of the application. There can be little to fear from disinterested inquiry and recommendation." Such procedure and action clearly works to the detriment of the workers and results in a serious lack of confidence in any promise made by the Department of Labour. The history of the Otis-Fensom case shows clearly that the present labour laws are prejudicial to the interests of the war effort, and in effect, support the efforts of anti-labour interests in the destroying of democratic trade unions.

The case of the Sawyer Massey Company is revealing. It gives conclusive evidence, that despite the fact that a government supervised vote was taken in the plant to establish the collective bargaining agency and the company had expressed its readiness to accept the decision of the vote, it completely broke faith with its employees after negotiations were opened. A company union was suddenly sprung into the open and the company fell in line with the rest of the manufacturers by refusing to sign a contract and accept the union as the bargaining agency. In our opinion this case again proves our contention that the manufacturers are not acting alone, but are bound to a policy that has been jointly agreed upon and that is aimed at throttling the trade union movement.

### *The Case of Sawyer Massey Company*

Prepared by Local 520, U.E.R. & M.W.A.

The workers of Sawyer Massey Company began organizing into the United Electrical, Radio and Machine Workers of America in the summer of 1942 and in November approached the management with the view of opening negotiations for the signing of a contract. On November 20, 1942, in agreement with the plant manager, Mr. A. E. Thormahlen, an application for conducting a vote to establish the collective bargaining agency in the plant, was made to the Hon. Peter Heenan, Minister of Labour for Ontario.

On December 1, 1942, a letter was received from the Department of Labour, assigning Mr. Harold Perkins, Industrial Returning Officer to conduct the vote. A bulletin notice was posted in the shop with voting conditions which were to be observed by both parties. The vote was taken on company premises on Friday, December 4th, 1942 and the polling booth was open between 4 and 8 p.m., in the presence of Mr. Perkins and a scrutineer from the company and one from the union. The ballot read as follows: "Do you want to bargain collectively with your employer through a Hamilton Local Union of the U.E. (C.I.O.-C.C.L.)?" Out of a total of 389 ballots cast, 250 voted "yes," 131 voted "no" and 8 ballots were spoiled, giving the union a clear majority of 64 per cent.

Up until the date of the vote, relations between the union and management had been cordial. Mr. Thormahlen had on repeated occasions

stated he had examined the record and policy of the Union and that he favoured it. He was particularly impressed with the union's proposal for a labour-management production committee.

It became apparent that the anxiety on management's part to have a collective bargaining agreement consummated, had become dulled after the vote and it was not until January 7th, 1943 that the parties came together to discuss the draft agreement submitted by the union. It was agreed that management would submit counter proposals to the union. The draft union agreement and management's proposals are submitted here.

On January 14th, negotiations were renewed and it became clear that active opposition to the union had been developed and the attitude of the management had changed.

At this meeting Mr. Thormahlen stated categorically that he would sign a contract with the U.E., but if at any time the membership dropped below 51 per cent of the employees, the contract would be void. At the same time he stated that he would sign a similar contract with any group or groups of employees regardless of the percentage of employees they represented. This statement along with the company's written proposals, which even a cursory examination will show are provocative; plus the introduction of the following statement allegedly signed by a number of employees, whom the management refused to name or give the numbers of; together with the presence of Mr. R. R. Evans, well known company union lawyer as counsel for the company; clearly indicated that the company had no intention of carrying through its promise to negotiate with and recognize the local union as the collective bargaining agency. The statement allegedly signed by a number of employees, read as follows:—

"We the undersigned employees of Sawyer Massey Limited believe that as Canadians we are fully competent to negotiate our own welfare and working conditions and that there is no obligation or necessity of paying any financial tribute to foreign labour organizations in order to enjoy that privilege.

Therefore we formally protest allowing the C.I.O. or its subsidiaries to represent us in any negotiations and declare our intention of having our own elected committee represent us in any welfare decision."

On January 19th, negotiations agreed upon were called off, because the management refused to meet with C. S. Jackson, Canadian Vice-President of the Union. About this time, the "Sawyer Massey Employees' Association" made its appearance, consisting of a small minority of workers.

Because of the deadlocked situation, the union on Feb. 2nd arranged for Mr. J. L. Cohen, K.C., to be present at negotiations. After some difficulty Mr. Cohen was admitted to negotiations.

Progress was apparently made on February 2nd and it was agreed that on February 4th at 10.30 a.m., negotiations would resume and finality be reached. Mr. Thormahlen expressed himself as pleased. However, in the morning mail of February 3rd. all employees received a letter from the company, a copy of which I will present for exhibit.

I would like to read this letter:—

"February 3, 1943.

*To Each Employee of Sawyer-Massey, Limited*

Since the outbreak of war the employees of this company have rendered faithful and honourable service to the nation, the empire and our men on the fighting fronts and I appreciate your loyal and unstinted



efforts and the friendly relationship which has existed between you and me.

It has always been my policy to take the employees into my confidence where matters affecting the employees are concerned. A situation has now arisen which renders it imperative that you as the producers in this plant should be made fully aware of what has been transpiring.

First of all, however, I wish to place my views before you.

I believe,

(a) That every employee is his own free man and free to join or to refrain from joining any union or organization and is entitled to be governed by his own free choice.

(b) That no employee should be put in the position where he may be obliged to join any union or organization against his own free will.

(c) That no employees' job should be endangered because he is a member of a union or organization and conversely that no employee's job should be endangered because he has refrained from joining or refused to join any union or organization.

With the above fundamental principles in mind I now propose outlining to you what has transpired, since each and every one of you is vitally affected.

In November last, C.I.O. organizers claiming to represent a substantial number of our employees, approached me requesting a conference for the purpose of discussing with them what they called a Collective Bargaining Agreement. This was followed by a request for a plant vote, in which you were asked the plain bald question—

"Do you want to bargain collectively with your employer through a Hamilton Union of the U.E. (C.I.O.-C.C.L.)?"

A substantial number of employees voted "Yes" and a substantial number of employees voted "No." The "Yes" votes were in the majority.

As a result of this vote the C.I.O. organizers requested me to meet them in further conference and this I did. Several lengthy conferences have now been held.

The facts are as follows:—

(1) The C.I.O. prior to the vote, asked for collective bargaining rights and *after the vote* extended this into a demand for the *sole* bargaining rights. This means that the C.I.O. demanded the right to represent and control all employees—Union and non-Union alike. I did not feel free to accede to this demand in so far as non-Union employees are concerned, not only because of the principles above enumerated, but also because a very substantial number of employees had clearly and distinctly, by their vote and by subsequent action in the form of an ultimatum to the company, registered open opposition to being subjected to the domination or control of the Union and were also entitled to consideration and to exercise their right to rule and govern themselves and their own affairs.

(2) The Union, after the vote, sought the installation of the "check-off" system, which means that the company would be obliged to deduct from the payroll envelopes the amount of Union dues payable by its members.

(3) It then developed that the "check-off" was linked with another feature, namely, the insertion in the agreement of what is called a "Maintenance of Membership Clause." It developed that *such a provision meant that every employee who became a member of the Union must continue as long as he remained an employee of the company to pay Union dues*, even though he desired to resign his Union membership and that the Company would be obliged to deduct Union dues from his pay envelope and pay the same over to the Union or discharge such employee.

I was not and am not prepared to enter into an agreement with anyone which would force my employees to pay dues as a condition precedent to employment in our plant.

(4) The Union, after the vote, demanded the insertion in the agreement of seniority provisions which in effect were designed to accord preference, in the matter of promotions and lay-offs, etc., to its members through the medium of the machinery which it sought to set up.

I was unwilling to accede to this demand, but was prepared to consider a provision assuring fair seniority rights to all.

(5) The Union, after the vote, further demanded insertion in the agreement of grievance machinery provisions which in effect would vest in the Union complete control and domination over all the employees of the company whether members of the Union or not.

I was unwilling to accede to this demand in so far as it affected employees who were not members of the Union. Those employees have their rights too and it is my belief that those rights must be protected and preserved.

I am sure that all fair minded and unprejudiced employees will agree that any agreement entered into by the Company dealing with matters affecting the welfare of employees, must be beneficial to all—Union members and non-Union employees alike—and I do not feel that I would be justified in “selling out” my non-Union employees by entering into any other type of agreement with anyone.

Since I was not prepared to meet these demands the Union retained as its legal adviser, J. L. Cohen, prominent in C.I.O. affairs, and he sat in at a meeting held yesterday. He agreed with my objections to the original unreasonable demands of the C.I.O. organizers and proposes rewriting entirely new proposals for consideration. It remains to be seen what these new proposals may be, but I felt you should know all the facts to date.”

Mr. COHEN: I was wondering when you were going to come to that. As a matter of fact I felt that the agreement which was put forward would do more in the way of closing negotiations than opening them. Why you refer to the letter which you have been reading is beyond me. You say it is a scurrilous letter.

Mr. DUNLOP: The point I am making is that this letter was mailed on the same day that agreement was reached with the management and the union after negotiations.

Mr. COHEN: I think the point you want to make is that notwithstanding the parties meeting on the 2nd and making some progress, and it having been agreed to resume on the 4th with a view of finalizing the matter, still on the 2nd after that meeting the firm sent out a letter virtually cancelling the meeting for the 4th.

Mr. DUNLOP: Yes, that is the point I want to make.

Mr. COHEN: That other does not bear on the matter at all.

Mr. DUNLOP: Shall I continue reading, Mr. Chairman?

The CHAIRMAN: Yes, if you wish.

Mr. DUNLOP (Reading):

“(6) In November last the Company decided upon a policy of paying time and one-half for hours worked in excess of 48 in any one week and also for Sundays and legal holidays. This would mean, in effect, that a conscientious employee working a full week's shift would receive time and

one-half for time worked over 8 hours per day, as compared with the present basis of time and one-half after 10 hours in any one day and 55 hours in any one week. The company proposed in November to immediately make application for the necessary permission from the Regional War Labour Board when I learned almost simultaneously that the C.I.O. organizers had applied to the Department of Labour to supervise the vote in our plant mentioned above. Obviously the company's application to the Regional War Labour Board had to be delayed until the outcome of developments arising from the C.I.O. organizer's action became apparent. As a result of the Union's activities, in so far as the company is concerned, payment of overtime to our employees on the revised basis has already been delayed at least two months.

While the representatives of the C.I.O. have given me to understand that they subscribe to the above revised basis of paying overtime, they do not wish it to become effective until they secure a Collective Bargaining Agreement. Rather than further prolong the delay, however, the company applied some days ago to the Regional War Labour Board for the necessary permission to commence paying overtime on the above basis, qualified by a provision to protect the employees that should an employee be prevented from completing 48 hours in any one week by reason of illness, lay-off or other unavoidable cause, overtime should be paid for all hours worked over 8 in any day of any such week and that where a legal holiday occurs during a working week, the basis of computing overtime for that week be correspondingly reduced. Incorporated in our application also is a request for approval to pay a 5 cent per hour bonus, over and above day shift rates, to those workers on night shifts.

Absenteeism has been a serious production factor and I am hoping that if the requisite permission is granted by the Regional War Labour Board, the proposed plan will be an incentive against continued absenteeism and at the same time it will place a large additional amount of money in the pockets of the employees.

In conclusion may I make it clear that I am not in any way opposed to the Union or to the Sawyer-Massey Employees' Association, or to any other number of employees associated together for their own purposes and for their own needs. I only hope for harmony, co-operation and the maintenance of the enviable production record established by you through your own labour and your own hands.

SAWYER-MASSEY LIMITED

A. O. THORMAHLEN,  
*Vice-President and Managing Director."*

Now, Mr. Chairman, to continue with the brief:—

It should be noted that the negotiations of the 2nd took place in the afternoon and the letter, in order to reach the employees in the morning mail had to be mailed on the 2nd. An examination of the letter will show its provocative character. It was certainly not intended to promote good relations. On the 3rd of February negotiations were called off for the 4th of February on a flimsy excuse.

The union answered this scurrilous letter by extending an invitation to Mr. Thormahlen or his representative to attend an open meeting of all employees to explain his written words and action. There was no attendance from the management.

At this meeting the union membership instructed the local union officers to request the management to refrain from having Mr. Evans



attend any future negotiations because of Mr. Evans' connections with the company union. We have reason to believe he drafted the Sawyer Massey Employees' Association Constitution.

The connection between Mr. Evans and the company unions in Hamilton is well known. He acted for the Westinghouse Employees Association and quite recently appeared with the secretary of that organization at an organizational meeting in Guelph for the purpose of organizing independent unions.

Failing to receive an answer, the union wrote to the Federal Department of Labour for the assistance of a commissioner, under the provisions of P.C. 4020 as amended. This was done on February 15th. It was not until February 22nd that Mr. Perkins arrived. Mr. Perkins was acting in the capacity of an investigator not a commissioner. He investigated. On March 15th a telegram was dispatched to Mr. M. M. Maclean, stating the workers were impatient with the delay. He again referred the matter to Mr. Louis Fine. On March 18th the union received a communication from Mr. Fine stating that an application must be made for a Board of Conciliation before an Industrial Disputes Inquiry Commissioner could be appointed. The union thus had to wait for more than one month to receive the information that a commissioner could not be appointed until a Board had been applied for.

This delay on the part of the Department of Labour, was construed by the workers as being nothing more or less than an aid to the company in their efforts to destroy the union. It is nothing more than trickery. The union applies for a commissioner under the government's own order, an investigator arrives, the union is advised that, in order to have the services of a commissioner, a Board of Conciliation must be applied for. All this taking place while a serious situation had developed at the plant.

Immediately upon receipt of the communication from Mr. Fine of March 18th, an application was made for a board. It was not until April 13th that the union was notified that Mr. Ainsborough had been appointed commissioner. He arrived on April 19th, two months after the union had requested the services of a commissioner. (Feb. 15th). Mr. Ainsborough insisted that the union would have to prove it had a majority in the plant and suggested that this be proven by union cards or membership lists. The union refused, pointing out that a vote had been won and *that management had never disputed the fact that the union had a majority*. There would be no reason why the Federal Department of Labour should take such a position, other than to stall and thus aid the employers. After meeting with the management, Mr. Ainsborough advised the union that he was recommending a Board of Conciliation. He also informed the union that the company had not disputed the union majority at that meeting. Mr. Ainsborough declared the Board would be established quickly. It was not however until May 6th, that the union was advised by the Department of Labour that a Board had been granted and the union's nominee accepted. On May 14th, the union was advised that the company had appointed a representative. Up to the moment of writing the union had no information as to the chairman of the board, and the date of the sitting. The workers in this shop have acted in an exemplary manner in the face of the management's broken promises and provocations and have had to restrain themselves in the face of endless delay and actual support of management on the part of the Department of Labour.

The case of the Welland Vale Manufacturing Company is also outstanding, although the plant employs only 75 workers. It shows the

vicious anti-labour attitude of the management and the tie-up between this company and the larger manufacturers, who are intent on seeing to it that no contract is signed which would grant sole collective bargaining rights to a bona fide union. The main plant of the Welland Vale Manufacturing Company is situated in St. Catharines, Ont. The management of this plant is carrying out the formula of the Niagara Industrial Relations Institute, which we understand has already been presented to you in the form of a brief.

*The Case of the Welland Vale Manufacturing Co.*

In June 1942, the workers of Welland Vale Manufacturing Company began joining the United Steelworkers Union and within the short period of four weeks, out of seventy-five employees eligible for membership, sixty-nine had joined Local 2853, United Steelworkers of America, C.I.O. The management was then approached on the question of a collective bargaining agreement. At the meeting with the management, Alderman Roy Aindow was present, representing the International Union. At this meeting the management made it quite clear that they would sign no agreement unless the contract covered all employees and all of them were members of the union. When the union proposed that the case be brought before a Board of Conciliation, Mr. Richard Pinder, plant manager, told the union committee that if the board recommended that a union agreement be signed they would close the plant; and that if a vote was ordered and it was favourable to the union, it would constitute an illegal strike—again implying that they would close the plant rather than sign an agreement with the union chosen by the majority of its employees.

Failing to secure bargaining rights, the Union then made application for a Board of Conciliation and Investigation. This was eventually granted and the Board met on March 17th, 1943. During the hearing, it was obvious that the management had not changed its original position. Mr. J. G. Notman, vice-president of the Welland Vale, in reply to the board's questioning, emphatically stated that he did not wish to recognize the union even if it represented the employees 100 per cent. The result of the hearing was that the board unanimously recommended that the management negotiate and sign an agreement with Local 2853, covering all employees.

Despite the board's ruling, the management has maintained its same pig-headed attitude. The workers are determined to have their union recognized and the Local Union has placed an application for certification as to the collective bargaining agency before the Ontario Labour Court and is at present awaiting the setting up of the Court.

*The case of the Steel Company of Canada is the most important case facing the workers in Hamilton.*

Without a doubt, the Steel Company of Canada stands out as the largest, most powerful and most influential steel-producing firm in Canada. It produces one-third of Canada's output of steel. It is indispensable to Canada's war effort. This company and the workers that it employs, play a vital part in producing the steel for the ships, tanks, guns and shells that will guarantee victory when the offensive on the continent of Europe is launched. The workers of the Steel Company of Canada recognize their grave responsibility and are prepared to do their utmost to increase the output of steel to supply our men in the armed forces and those of our allies. But the willingness of the workers alone is not sufficient. In this

case as in the others already enumerated, the management has completely ignored the will and wishes of the workers in their employ and has seen fit to lead the attack on the trade union in the plant and the labour movement of this city.

### *The Case of the Steel Company of Canada*

In 1935, following a strike on the Sheet Mill department of Hamilton Works plant of the Steel Company of Canada, the sheet mill workers set up a union. These workers met with some workers employed at the Canada works plant and arrived at the decision to organize all three Steel Company of Canada plants in the city of Hamilton. The management immediately moved to forestall this action and before any real organizational work could be done, announced their intention of holding a vote to determine whether or not the workers would have a Representation Plan. A vote was then held and the workers were given the choice of taking up their grievances through this Representation Plan or remaining as they were, without a method of adjusting their grievances.

The Union, representing only the sheetmill workers, some of the sheetmill warehouse workers and some of the workers at Canada Works, recognizing the plan as a company union set-up, advised the steel workers by leaflet to vote against the plan.

However the workers voted in favour of the plan and Works Councils were then set up both in Hamilton Works and Canada Works. These councils were composed of equal representation of management and workers, with the plant manager in the chair.

The Independent union continued the job of organizing these plants and in 1936, at a regular meeting, voted to seek assistance and affiliation from the newly established C.I.O. Local 1005, S.W.O.C. was then established and is now known as Local 1005 U.S.W.A.

The membership of the Local varied from time to time, until 1939 a definite majority was obtained in Canada Works and the workers elected 100 per cent union members to the Works Council. Failing to adjust serious grievances, including the discharge of active Union members, these representatives, at a meeting of the Works Council, asked for a vote on the question of whether or not the workers still wanted the Works Council. This was refused and the chairman, Mr. A. Lott, representing the plant manager, stated in answering a question, that the Works Council was here to stay, whether the workers wanted it or not.

The elected members immediately resigned and the union applied for a conciliation board covering all the questions involved, including the firing of eight union members. The Department of Labour refused a conciliation board and under an intensified campaign of intimidation, the local union received a severe setback and the company Works Council at Canada Works was again re-established.

Despite the Union set-back in the Canada works plant, the United Steelworkers of America, Local 1005, forged ahead in the Stelco Hamilton Plant and in November, 1942, a Works Council election was held. The union threw their own candidates into eight out of the eleven divisions. When the vote was counted, the Steelworkers Union had walked away with every division they contested. Here, in brief are the results of that election which took place only six months ago, showing clearly that the union had a sound majority of the employees behind them.

2,919 men were qualified to vote in the eight divisions.

2,094 men voted.

1,637 voted C.I.O., or 78 per cent of the voters.



Shortly afterwards the other three men, who with the eight United Steelworkers representatives, made up the employee side of the Works Council, swung over to the support of the union. This gave the union a solid voice on the Works Council and was a most emphatic union victory.

However it was apparent that the Works Council could not take the place of genuine collective bargaining and the company's recognition of the Union. Regardless of the issue, the Works Council was deadlocked because of the equal representation from workers and management, with the president having the deciding vote. The situation became tense. Workers wanted genuine collective bargaining between the company and their union, as the only solution to the many burning grievances.

The union decided to apply for a Board of Conciliation. A strike vote was taken on January 20, 1943, and application was duly made. The answer of the company was to issue a letter to Mr. M. M. MacLean, Director of Industrial Relations and Registrar of the Department of Labour, signed by Mr. H. G. Hilton, Vice-President, in which he completely denied that a dispute existed and urged that the Board be denied. Prior to this on January 23, 1943, an advertisement appeared in the *Hamilton Spectator*, supposedly issued by a "Committee of the Independent Majority of the Steelworkers of the Steel Company of Canada," which made a slanderous attack on the union and the C.I.O. in general. On February 12, a seven-column, full-length advertisement was issued in the *Hamilton Spectator* in the name of the Steel Company of Canada, including this advertisement supposedly issued by the so-called independent group of employees, with a letter by Ross McMaster himself. This ad. was published simultaneously in the leading newspapers across the country and paid for by the Steel Company of Canada. Mr. Hilton's letter was dated February 19.

In reply to Mr. Hilton, the United Steelworkers of America, Local 1005, stated their position in part as follows:—

1. Contrary to your statements, there is a serious, detrimental situation existing at the Hamilton Works of the Steel Company of Canada. This serious situation has arisen, and is being worsened in our opinion, because of two main factors:

- (a) The flat refusal of the Management of the Steel Company of Canada to grant the democratic rights of their employees, to Collective Bargaining through the union of their choice.
- (b) The vacillating attitudes of the Federal and Provincial Governments to this developing crisis which is reflected in the fact that neither government has, up to date, taken vigorous measures, as requested by Local 1005, to help clarify and solve the crisis.

Furthermore, in the past weeks the situation has been worsened by the fact that the management of the company has seen fit to expend considerable sums of money to print an anti-labour and, in substance, an anti-total war advertisement, for the dual purpose of blackening the name and record of the bona fide union to which the majority of their employees have given support and to try and lay the foundation for the setting up of a company-dominated "union" in the future.

We wish to re-emphasize that majority of the employees of the Steel Company of Canada, Hamilton Works, either are members, or support the United Steelworkers of America, Local 1005, as their bona fide union and that this can be proven at any time the company or the federal or provincial governments decide, by the simple process of taking a ballot

of employees. Further we wish to emphasize that the main objective of Local 1005 and our parent body of the United Steelworkers of America, is to contribute our utmost to the speediest winning of the war, by full cooperation with our employers and government, to increase the output of steel."

And further: "We completely deny the shameful accusations that Local 1005 is trying to project a strike at the Hamilton Works, or that our objective is to fasten the domination of an external force upon the employees. Local 1005 is out for total war and victory, for co-operation with management and government. Local 1005 is composed of employees who work in the Hamilton Works of the company and is led by officers employed in the works and elected by the employees.

We are ready to prove all this again, in negotiations directly with the company, in the Conciliation Board we have applied for, before the National War Labour Board, or in a free-democratic ballot of the employees of the Hamilton works."

and further: "Worsening of Labour-management relations to-day plays right into the hands of Hitler and is a stab in the back of General McNaughton and our troops overseas.

With these thoughts ever-present in our minds, the officers and members of Local 1005, in an emergency effort to help solve the serious problems we are facing, make the following proposals:—

- (a) That the Federal government immediately take action, either through the Department of Labour Conciliation Service, or through the National War Labour Board, to bring Local 1005 and the management of the Hamilton Works, Steel Company of Canada, together for discussion of, and conclusion of, a collective agreement which would settle all grievances of the employees, determine wage rates, working hours, seniority, overtime rates, incentive bonus matters and labour-management production co-operation machinery.
- (b) That Local 1005 once again declares to the management and to the provincial and federal governments that it stands ready immediately to participate in a free, democratic vote of the employees of the Hamilton Works, Steel Company of Canada, for the purpose of determining whether or not they in the majority desire Local 1005 of the United Steelworkers of America to be their bargaining agency.
- (c) That Local 1005 is ready to meet with the management directly, to take up the questions of a collective agreement, joint labour-management production co-operation and/or a direct vote of the workers of the Hamilton Works to decide the bargaining agency, with or without the intervention of the government."

This statement clearly places the position of the union, both to the company and the Department of Labour. It is a deplorable fact that Mr. M. M. MacLean after giving recognition to the company letter, to the extent of sending a copy of it to the local union presumably for reply, and ignored the answer of the union and the recommendations that it put forward.

The situation continued from bad to worse. It became more and more obvious that the anomalous position of the union members on the Works Council could not continue, therefore on March 17, the resignation of these men was endorsed and approved at a special meeting of the United Steelworkers of America, Local Union 1005. The members who resigned issued the following statement, which was published in the press in the form of an ad:

"We, the undersigned, elected representatives of the Hamilton Stelco Works Council, who are members of Local Union 1005, of the United Steelworkers of America, hereby tender our resignation as representatives of the Stelco Works Council, the resignation to be effective immediately as of March 15, 1943.

We feel this action necessary for the following reasons:—

1. After our experience as representatives, we know that the Works Council does not properly represent the men of Stelco, but is a company dominated and controlled body.

2. It is impossible for us, under this Council, to obtain any benefits of major importance for the employees of Stelco.

3. We realize that no good purpose can be served by our continuing as representatives on the Works Council, that our time would be wasted and could be better used in completing the organization of Local Union 1005.

4. The United Steelworkers of America, representing the workers of Algoma Steel and the Dominion Steel at Sydney and Trenton, have succeeded in having their case placed before the new National War Labour Board, asking for a 55 cent minimum base rate with a full cost-of-living bonus in addition, recognition of basic steel as a national industry, adjustments in rates for those above 55 cent base, reclassification and adjustment of all maintenance rates, time and one-half for the seventh consecutive day worked and other benefits to be obtained under the new order in council, passed at the demand of the United Steelworkers of America.

5. We believe the workers of Stelco are entitled to the same benefits and we intend to do everything within our power to obtain these benefits by presenting our case to the National War Labour Board, through our only real labour organization, the United Steelworkers of America. (Signed) T. W. McClure, Roy J. Baldassi, George Kew, H. O'Rourke, W. R. Coveyduck, John Shipperbottom, Joseph Zapora, George Jaremkow, James G. McDowall.

Following the resignation of the union men from the Works Council, which in practice meant the dissolving of the Works Council, the company immediately took steps to save the Council by appointing the men who had the next highest vote in the last election. This meant that men were placed on the Council who had received the vote of only a very small minority of the workers in their department. This action was met with indignation on the part of the vast majority of the workers in the plant, who correctly branded the unelected representatives as company stooges. The union issued a petition calling on the workers to certify their desire to have Local 1005 represent them as their collective bargaining agency and to repudiate the Works Council.

The petition met with immediate response from the workers. That the petition was being circularized among the workers soon reached the ears of the management. The result was that Ward Fawcett, an employee in the Sheet mill and a shop steward, was fired on April 2nd, allegedly for signing the petition and asking others to do likewise. This provocation on the part of the management was countered by immediate action on the part of the workers in the Sheet mill. A meeting was called and a delegation appeared before the Selective Service, demanding that the man be reinstated immediately. Mr. George P. Weir, local manager of National



Selective Service, after hearing the case presented by the union and checking the facts with the management, ruled that Ward Fawcett go back to work, signaling a complete victory for the union.

The company's tactic now is to adopt the union's wage demands, while refusing to have anything to do with the union. Thus it has made application to the Regional War Labour Board for a 55 cent basic hourly rate and of full cost-of-living bonus. These were asked by the union a year ago and were then rejected by the management.

The Steel Company of Canada knows that the Works Council cannot be recognized in the Ontario Labour Court as representing the workers. It was company conceived and company sponsored. The Ontario Collective Bargaining Bill outlaws company unions, describing them as "any such union or association the administration, management or policy of which is dominated, coerced or improperly influenced by the employer in any manner whether by way of financial aid or otherwise." The latest move in the plant is to organize a so-called "Independent Union".

Mr. COHEN: I take it the application was made in January, 1943?

Mr. DUNLOP: Yes.

Mr. COHEN: What was the application?

Mr. DUNLOP: The reply by the company was dated February 19, in which the company stated that it was no dispute and there was no need for a Board to be set up.

Mr. COHEN: What followed that?

Mr. DUNLOP: The union issued a statement.

Mr. COHEN: What followed that?

Mr. DUNLOP: After that—

Mr. COHEN: Has any action been taken?

Mr. DUNLOP: No, there has not been a vote granted.

Mr. COHEN: Has any action been taken on the application?

Mr. DUNLOP: No vote was taken.

Mr. COHEN: Was a commission set up?

Mr. DUNLOP: Yes, the same commission that investigated the Otis-Fensom matter, Mr. Nicol.

Mr. COHEN: Do you know if he made any report?

Mr. DUNLOP: The report was made, and to date there has been no official refusal, but no board has been set up.

Mr. COHEN: An application made on or about January 20th is still pending proceedings?

Mr. DUNLOP: Yes.

### *Labour-Management Relations and Lay-offs*

Affiliates of the Hamilton Labour Council are perturbed by recent lay-offs in Hamilton war plants. The workers in Hamilton recognize that the present phase of the war may well require the reorganization of certain war production. The Hamilton Labour Council and its affiliates, stand ready and willing to assist the government in achieving the changes necessary for the effective prosecution of the war. However experiences of local unions here, in attempting to co-operate with management and government, are not conducive to developing confidence in the sincerity of the Department of Labour and the Department of Munitions and Supply. At least two managements refused to meet with union committees, when

offered co-operation. The attitude of Mr. Howe and Mr. Mitchell, to the representatives of the U.E.R.M.W.A. on May 19th, was distinctly one of hostility towards labour.

This attitude has created a good deal of suspicion. The consistent refusal to recognize labour and place representatives on the various government boards, injures the war effort of our country to a greater degree than is generally supposed. The belief, which is growing, that there is some sinister motive behind the actions of Howe and Mitchell is strengthened here, by the fact that the Hamilton Bridge workers could find no aid from the Department of Labour and that after three weeks strike, it is announced that the plant will close down for three months for retooling.

The dissatisfaction, which we repeat is fast hardening into suspicion, springs from general dissatisfaction with the labour and wage policy and the method adopted by the government in bringing the changes about. The situation calls for complete government, labour, management co-operation. Anything short of that is not enough. The fears and suspicions now becoming widespread among the workers of Hamilton, must be answered and dissipated, first of all by action on the part of the government, by taking labour completely into its confidence and putting an end to the situation where every reactionary employer in the country is invited to kick labour in the face.

The situation demands that the government give a lead to the promotion of labour-management production councils and committees, by the government itself without equivocation, treating labour as a responsible and extremely necessary part of the war effort. Give labour its full place in the affairs of our country.

Mr. COHEN: To your knowledge has there been any consultation with the employee groups in Hamilton with regard to lay-offs and what might be done with regard to diverting the workers?

Mr. DUNLOP: In Otis-Fenson the union was told that the lay-offs could be taken up through the plant grievance procedure. In the Westinghouse the union was informed that lay-offs were the business of the management. In the National Steel Car the discussion took place between the company and the union, and despite this discussion the notice was posted by the company announcing the lay-offs and the methods by which they would take place. The union then applied to the Department of Labour, and Mr. Ainsborough was sent in. He was to supervise the lay-offs. There are 1,000 workers there in the lay-offs; that is the main plant. There were 200 or 300 workers laid off in the Hamilton Bridge Company, no notification given. We feel that if the government desires labour to take its statement regarding lay-offs as authentic, the government must co-operate with labour in explaining that position to the workers. The workers can in no way be blamed for questioning these lay-offs. The word spread that these lay-offs are not necessary, and are being done in such a manner as to try to break the organization of the unions.

New, I go on to the cost-of-living bonus.

#### *Cost of Living in Hamilton*

We will not attempt to prove here that the government cost-of-living index is incorrect. This inquiry has the submissions of the national trade union bodies of the country which prove this point adequately. What we seek to prove here, is:—

1. What the actual minimum cost of living is in Hamilton.
2. That thousands of our wage earners, actually earn less than the minimum necessary to maintain efficiency.

After a considerable amount of investigation and examination of how our workers live and after consultation with social service workers, we submit to you the following minimum budget for a family of four; husband, wife and two children. This budget is based on an income of \$30 weekly or \$1,560 annually and was prepared by a responsible social service agency.

Food .....	\$ 480.00	31 %
Shelter .....	300.00	19 %
Fuel .....	100.75	6½ %
Light and gas .....	30.00	2 %
Clothing .....	187.20	12 %
Replacements .....	142.20	9 %
Miscellaneous .....	319.85	20½ %
	<hr/>	
	\$1,560.00	100 %

This budget was prepared by Miss Milligan of the Family Welfare Bureau of Hamilton.

Mr. COHEN: Do you mean that this budget is based on \$30 a week, or that \$30 a week is needed to base this budget on, and she merely ascertained how that amount of money could be most effectively spent? You mean that this budget requires \$30 a week?

Mr. DUNLOP: Yes. It adds up to \$30 a week.

Mr. COHEN: When was that study made by Miss Milligan?

Mr. DUNLOP: About three weeks ago, and based on her own knowledge which has been accumulated.

The food budget above, which amounts to \$8.96 per week for a family of four, presupposes that the housewife is a capable buyer and cook, that the foodstuffs necessary are available, that the husband does not carry a lunch and that the family is healthy and none require special diet, etc. In other words that an ideal situation exists.

The clothing budget presupposes that growing children's shoes for example shall be of such quality as to last approximately six weeks. It is becoming increasingly difficult in fact, to buy children's shoes which last over two weeks, because of the poor quality of leather that is now used in their manufacture. A similar situation in regard to length of service of children's wearing apparel is noticeable. Boys' trousers, for example, which are always a constant source of worry and expense to working class parents, are being made of inferior goods. The result is that normal boys are wearing out their pants in a much shorter time than formerly.

It should be further borne in mind that in regard to clothing and replacements, the budget assumes that the family has a supply and that they are replacing worn out necessities. Many families after years of relief and substandard wages have had to gradually attempt to completely re-equip their homes with necessities, such as bedding, furniture, utensils, etc., and similarly with clothing. Thousands of Hamilton families have been unable to accomplish this as yet.

People who work for a living have, perforce, to pay the fixed charges first—rent, fuel, light and gas—and have to manoeuvre on the variables, food, clothing, etc. Thus a family living in a house which is not overcrowded and provides reasonably healthy conditions does so at the expense of food and clothing. Or a family of the same size and income



living in overcrowded and relatively unhealthy quarters, but paying less for shelter than the first family, may spend more on food, but suffer because of the living conditions. There are many families of the same size and income who are living in overcrowded and unhealthy surroundings and are paying rents as high and higher than others in more healthy surroundings, because of the very serious housing situation that exists in Hamilton. It is common knowledge that while houses are being rented at \$25 per month, they are occupied and are not available. The result is that families are forced to pay rents completely out of proportion to their incomes or else live in overcrowded, unhealthy quarters.

If we take then the aforementioned ideal minimum budget, but keeping in mind that ideal conditions do not exist, let us now investigate and establish the fact that thousands of workers in Hamilton do not receive the minimum of \$30 per week.

The corporation of the city of Hamilton pays labour 55 cents per hour, plus  $8\frac{1}{2}$  cents per hour cost of living bonus. On the basis of a 44-hour work week, the worker earns \$27.94. If the worker has two dependents, 80 cents per week is deducted for income tax and compulsory savings. This leaves a total of \$27.14 on which he must live, buy war bonds, stamps, etc. The city of Hamilton pays a higher base rate than any corporation in the city. Thus thousands of Hamilton workers receive less than \$27.14 per week. In the Steel Company of Canada, one of Hamilton's biggest war plants, the hourly rate for labour for eight hours and a 48-hour week, is  $46\frac{1}{2}$  cents and 9 cents cost-of-living bonus. This comes to the sum of \$26.64, from which comes unemployment insurance, defence tax, deductions, etc. In the Canadian Westinghouse Company, another large manufacturing concern, wages for men are as low as 44 cents an hour for men, and women as low as 25 cents per hour. Men are hired at the Otis-Fenson plant for 44 cents per hour. Fifty cents per hour is paid for labour at the plant of the National Steel Car and 45 cents at the Hamilton Bridge Company and the Dominion Foundries and Steel.

These are some of the main concerns and it is generally the practice for a lower labour rate to be paid at small concerns. We maintain that the wage standards prevailing in Hamilton are criminally low and that thousands of war workers in this vital centre are being shamefully treated to the detriment of health, morale and our war effort.

The trade union movement here has consistently insisted that the low wage levels existing in Hamilton need adjustment upwards. The steelworkers' union, the United Steelworkers of America, have set as the minimum for their industry 55 cents and full cost of living bonus. Because of the organizational work of their union and their effort to better the conditions of the steelworkers, a striking commentary on the justice of their demands and power of their union is to be seen in the Steel Company of Canada's submissions to the Regional War Labour Board, asking for permission to increase the basic rate at the Hamilton works from  $46\frac{1}{2}$  cents per hour to 55 cents per hour, plus full cost-of-living bonus. We recognize that the action by the management of Stelco is an attempt to head off the union. It carried with it, however, the recognition that the steelworkers of Hamilton need more money to live on decently and produce for victory. Fifty-five cents an hour and full cost-of-living bonus, as a minimum wage for all workers in Hamilton would be a step toward alleviation of the present serious situation. We strongly urge revision of the government's wage policy to meet the requirements of the present day.

Our conclusions are on the following pages.

### Conclusion

Hamilton is the third greatest industrial city in the Dominion. For its population it has a greater degree of industrialization than any other Canadian city. It is the largest steel-producing centre in the country. Approximately 60,000 workers are engaged in the production of steel for ships, tanks and guns; for war materials of all kinds, guns, shells, generators, transformers, textiles, clothing, radio equipment and supplies. Since the outbreak of war, the population has increased from 154,000 to 200,000 with a 100 per cent increase in the number of workers engaged in war industry. Our city has had a proud record of uninterrupted and increased production for victory. For this no small degree of credit is due to the workers in industry and to the trade union movement.

In this submission we have brought to your attention the very serious situation that exists in the relations between management and labour in Hamilton. We do not think that the picture that we have here painted is exaggerated. It is growing more serious day by day, and the patience and forbearance of the workers in the industries is wearing thin under the continued campaign of misrepresentation, slander and open anti-union attacks. The trade union movement can be depended upon to continue to fight for a total war policy and to display level-headedness, patriotism and fortitude, but the main thing now is not the attitude of organized labour, but rather the anti-union attitudes of powerful employers and the continued vacillations and neglects of our government. We need three-way partnership of government, management and labour.

We welcomed the statement made by Prime Minister MacKenzie King to the A.F. of L. Convention held in Toronto last year when he said:—

“The old order has been based on fear, resulting in conflict alike in industrial and in international relations.

By placing the interests of the community before the interests of individuals or groups; by social control, in which *Government, Labour and Management all share*, human well-being can be vastly increased.

The Key to victory is a partnership unbroken and unbreakable of the warrior and the worker. The warrior cannot fight without weapons, munitions, supplies and food produced by the workers. The freedom of the world depends upon the combined efforts of the fighting brotherhood of warriors and producing brotherhood of workers.”

The policy that has been pursued by the Minister of Labour, Hon. Humphrey Mitchell has evoked the wrath of organized labour throughout the country to the extent that the demand for his removal has been unanimous. The Department of Labour under his leadership has proved itself ineffective to cope with the present crisis and in numerous cases workers seriously question the department's desire to find a solution to their problems. The latest actions of Hon. C. D. Howe, Minister of Munitions and Supply in the present manpower crisis, further accentuate the belief that Mr. Howe does not desire the co-operation of government labour and management, but is prepared to ignore organized labour and by his policy is aiding and abetting the anti-labour attacks that are being made against the trade union movement. The actions of these two ministers are in complete variance with the declared policy of Prime Minister Mackenzie King.

The Hamilton Labour Council recognizes that the National War Labour Board has a grave duty to perform in the conduct of the present hearings and as a result of the submissions and the inquiry we sincerely hope that recommendations will be made to the federal government for the enactment of National Labour Legislation that will help to unite the nation for greater effort on the production front and for the winning of the war. With this in mind, we place before you the following recommendations, which if acted upon, will in our opinion, do away with fear, conflict in industrial relations, and bring about true partnership of government, labour and management for the all-out task of winning the war.

That National Labour Legislation be enacted that will include the following recommendations which have already been proposed by the main trade union centres:—

1. That the right of workers to organize into the bona fide unions of their choice and to bargain collectively with their employers be guaranteed by law.

2. That a provision be made to determine the bargaining agency of the workers, by a majority vote when necessary.

3. That company unions be outlawed. (Any association or organization of employees that has been influenced, supported, financed or dominated by the employer.)

4. That it shall be an offence under the proposed legislation for an employer or his agent, directly or indirectly, to refuse to employ any person or intimidate any of his employees in the effort to prevent them from joining a union, or carrying on union activities.

5. That the annoying and irritating differential in the cost-of-living bonus be eliminated and every Canadian worker receive the full cost-of-living bonus.

6. That the government's cost-of-living index be altered to meet more realistically the budget of the average Canadian worker.

7. That 50 cents an hour and \$25 a week become the basic minimum wage in Canada. Equal pay for equal work—for men and women.

8. Adequate machinery be set up for the arbitration of any dispute, accompanied by definite rules of procedure; action upon application under the Act should be initiated in 15 days and completed within 30 days.

9. That labour be allowed representation on all war boards, both administrative and advisory. That this principle be applied on an industrial and plant basis, in the interests of government, labour, management partnership as an essential step for greater production for victory.

The Hamilton Labour Council is convinced that the above recommendations if acted upon, will contribute to a great extent to the solving of the difficulties with which we are now faced and will go a long way in uniting Canada for the great task that still lies ahead—complete defeat of the Hitlerite enemy.

Respectfully submitted by

PETER DUNLOP, *Secretary,*  
*Hamilton Labour Council.*

The CHAIRMAN: Thank you, Mr. Dunlop.



## APPENDIX A

## SUBMISSION OF HAMILTON LABOUR COUNCIL

*Letter Written to Premier Conant on Bargaining Bill*

Sir: In view of the fact that an Act for Collective Bargaining, constituting the report of the Select Committee appointed by the Ontario Legislature to enquire into collective bargaining, is to be immediately submitted to the Legislature, we representatives of Hamilton industries take occasion to make the following representations.

We submit that the action of the Select Committee in presenting its findings in actual legislative form is a misinterpretation of the proper purpose and intent of the Legislature in appointing the committee. By so doing the committee has denied to a great body of public opinion the fundamental right of legislative hearing and debate. In effect, the committee has presented to the Legislature one side only of a highly contentious and debatable subject, and in so doing has completely defeated the very purpose for which it was appointed. A great number of reasoned and authoritative submissions in opposition to the proposed form of legislation was presented to the committee by both organizations and individuals. In so far as recommendations of the committee constitute a report of its proceedings, these submissions have, for Parliamentary purposes, been entirely eliminated. This statement is not to be refuted by the contention that the Select Committee was empowered to act for the Legislature, for the sovereign power and responsibility in a social issue of this magnitude rests solely with the Legislature as a whole and cannot be justified or democratically delegated. We therefore contend that the submission of the findings of the Select Committee in the form of a legislative "fait accompli" is unjust, undemocratic and without precedent in parliamentary government.

*Labour Court Discussed*

So far as the actual working application of the Act is concerned, this is left very largely to the discretion of the proposed Labour Court. *It is our opinion that this court will, in all probability, become little more than a rallying point for dissident and malcontent minority groups seeking to secure "sole" and "exclusive" rights by pressure and by the various well-known means, such as biased voting procedures, closed shop, etc., which are the recognized methods of securing these misrepresentative rights.*

We further submit that the provisions of the proposed act are in no way likely to contribute to industrial peace and progress, but are, on the contrary, likely to create many contentions and debatable issues which do not now exist, and to exaggerate others already sufficiently acute. For example, the act makes no specific reference in any way to the critical and all-important question of sole collective bargaining rights, which is of the very essence of labour relations problems to-day. The terms "collective bargaining rights" and "collective bargaining agency" are meaningless in themselves unless qualified specifically as to their nature, extent, powers and procedures. In the evident, undisguised sense of the term, "collective bargaining" is recognized and permitted by the employee relations procedure of most industries to-day. But the fact is that these terms are in reality pseudonyms for "sole collective bargaining rights" and "exclusive agencies". There is no issue with respect to "collective bargaining" in Canadian industry to-day, except in so far as the question is one of "sole" and "exclusive" rights. This has been clearly evidenced by many recent strikes and disturbances on these issues. The proposed act provides no safeguards of

any kind against this unreasonable and maladroit interpretation of the term "collective bargaining", and there is no reason to believe that adoption of the act will have any curative effect upon the strikes and controversies invariably centreing around this critical point of "sole" and "exclusive" rights. The extreme reluctance of certain labour and other groups to use and admit these terms though they express their true meaning and intent, are sufficient evidence that "sole" or "exclusive" rights are inequitable, and consequently in strong public disfavour. In its evasion of this essential and inescapable aspect of the problem, the proposed Ontario Act is typically vulnerable. For this further reason we most strongly urge that the entire proceedings of the Select Committee should be submitted in suitable form to the Legislature. In the present form of proposed legislation the report of the committee is partial, incomplete and unrepresentative.

### *Union Representation*

We draw your attention to clause I, paragraph (2), of the proposed act, excluding, under interpretation of Collective Bargaining Agency, "any union or association, the administration, management or policy of which is dominated, coerced, improperly assisted or improperly influenced by the employer in any manner, whether by way of financial aid or otherwise." It is commonly known that the two *major foreign labour organizations* adopt the attitude that apart from themselves there are no "bona fide" associations of employees. This paragraph is "prima facie", well calculated to support that intolerant and unacceptable viewpoint, and nothing otherwise contained in the act offers any assurance to the many thousands of Canadian workers organized in independent unions or associations of their own free choice, that this provision will not be operated to their complete extinction, and their coercion into the ranks of other organizations which they have already inferentially repudiated. This is a most vicious provision which will actually deny to the great majority of Canadian employees the individual or collective freedom of opinion and action that the act is presumably framed to ensure.

The proposed act, which radically altering or entirely supplanting the existing basis of labour relations in Ontario, places no requirements as to legal responsibility for performance upon the "collective bargaining agencies" but, in comparison to existing conditions, places the entire onus of conformity upon the employer. This is obviously unfair, since it is inconceivable that the arguments and motives of those who oppose collective bargaining in this form are entirely invalid and inadmissible, while the methods and objectives of those who desire this form of legislation are wholly desirable and acceptable. Such a premise is patently absurd; yet it is only upon such a presumption that the proposed act can be regarded as fairly and justly reflecting the representations made to the select committee. In other words, the proposed act is an entirely one-sided representation of a highly complex and many-sided question.

### *Sovereign Powers*

While there is no question as to the sovereign powers of the Ontario Legislature to legislate upon the matter, *the advisability of so doing is open to question.* The problems of employer-employee relations are national in range and scope and it is self-evident that social evolution in this connection must ultimately proceed along national, or even international, lines if the true objectives of harmony and mutual benefit are to be attained. For this reason we submit that provincial legislation concerning the broad principles of labour relations must eventually be abrogated or made redundant by developments in the federal field. Hence provincial legislation can be regarded only as a temporary expedient at best and, at worst, as a retardant to the broader development of industrial co-operation and harmony.

We urgently submit that the sole practical effect of the drastic legislation now proposed will be to immediately hand over to *one or two militant labour organizations of foreign origin*, virtually complete control over the economic lives of the great majority of Canadian workers, of whom they do not actually represent more than twenty per cent. Many academic arguments can be advanced as to the impossibility of this condition arising under democratic circumstances, but from actual daily experience we can most positively state that such arguments are worthless and unrealistic. Mis-statements as to membership, the enlargement of petty issues, the holding of votes on discriminatory ballots, the proffering of irresponsible promises and the coercive "closed shop" and "continuity of membership" provisions are among the means by which this inequitable and reprehensible condition is brought about. It is our contention that passing of the proposed act will do nothing more than set the seal of parliamentary sanction upon just such a condition in the industries of Ontario.

### *Economic Factors*

We submit that the implications of the proposed act far transcend the question of industrial relations, *being in fact a complete disruption of the existing economic balance of power*. That modifications in the balance of power are inevitable in the course of time we fully agree, but that they should be brought about abruptly under the guise of a sectional opportunist issue, created and fostered by a very small minority of the community, we contend to be in derogation of the public interest. It is common knowledge among industrialists that, under the stresses and pressures of war, *the field of industrial relations has become the rallying point of most of the subversive, obstructive and revolutionary elements of the population which*, in normal times, are checked and controlled by the overwhelming mass of constitutional public opinion. The issue of sole and exclusive rights in labour relations has been raised and pursued largely by these elements and the granting of their objectives by passage of the proposed act would constitute a betrayal of the public at a time when it is pre-occupied by other graver matters, and before it has had a proper opportunity to learn and consider the full implications of the question of exclusive collective bargaining rights.

(Letter ends)

## APPENDIX B

### SUBMISSION OF HAMILTON LABOUR COUNCIL

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(Advertisement of The Steel Company of Canada, Limited in  
The *Hamilton Spectator*, February 13, 1943)

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### *Backing-up the Fighting Forces*

The Steel Company of Canada, Limited  
Hamilton, Canada

February 10th, 1943

As a tribute to the fine spirit shown by our employees we reproduce, with considerable pride, an advertisement first appearing in the *Hamilton Spectator* of January 23rd, 1943.

This advertisement was conceived, written and paid for by a committee representing a majority of the steelworkers at our Hamilton Works. The management of the company had no knowledge of this advertisement until it appeared. It represents the thinking of the workers entirely.



Because we feel that it may prove an inspiration to the fighting people of Canada and as an acknowledgement of the loyalty and steadfastness of our workers, we are proud to give this "straight-from-the-shoulder" statement a wider circulation so that true Canadians in every part of the country may read it and take courage. Never will an enemy beat this kind of fighting spirit.

The Steel Company of Canada, Limited

R. H. McMASTER  
President

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### *Striking in Wartime is a Dirty Business*

In fact, over 75% of the Steelworkers at the Steel Company of Canada regard such action as TREASON, and want your help in avoiding any such occurrence at our plant. Every man on strike from a Canadian steel plant today is killing Canadian soldiers as surely as if he shot them. This fact makes the relations between the Steelworkers' C.I.O., management, and the Government no longer a private matter, but a public concern.

We think the idea of a steel strike should make every citizen of Canada as hopping mad as it makes us. How would you feel if through determined action of an organized minority you were forced to stop working in what you knew to be a vital part of our war effort?

—Or if you had worked for your firm for over 25 years, as over 10% of us have, and had no grievances you thought were very important these days when so many people are suffering so much, and were suddenly told that you were expected to strike on Monday?

—Or if you had several children, a home to pay for, and other expenses you could just meet, and were suddenly faced with the possibility of being forced to live for several weeks with no money coming in?

Don't get us wrong. We aren't Union haters, or "Company men." We believe well-run and responsible unions can benefit every one. We also know that basic wage rates may need to be adjusted from time to time, and there are other grievances in this plant as in most others.

What we object to is the use of strikes over which we have no control to force decisions in such matters in these times. The Government has set forth a policy of wage and price control to try and avoid troubles and hardships met in the last war. It also provides means for adjusting inequalities brought to its attention. Public opinion should demand quick, firm, and just use of this machinery to settle problems as they arise, and avoid situations such as we have here. To allow any group to dictate its own terms in any such dispute spells disaster for the whole national economy.

The C.I.O. is bombarding workers and public with propaganda put out expressly to win members and increase their own power by discrediting both government and management.

We would like to express and explain the real convictions of those steelworkers who do their own thinking.

### *First—A Few Cold Facts Which Can Be Easily Verified:*

1. Union membership never represented more than about 25 per cent of the 4,900 wage earners at Hamilton Works. Not more than 500 members have attended any one meeting.

2. Only 300 members were present at the meeting in which the strike vote was held. Three hundred men are attempting to force more than 4,000 men to stop work.

3. A large percentage of former C.I.O. members believe in Unions and joined to assist in correcting grievances the C.I.O. brought to their attention. They joined on the understanding that no strikes would be called in wartime. These men are now thoroughly disgusted, are not paying Union dues, and are completely inactive in Union affairs, but they are included in estimates of C.I.O. membership.

4. The strike issue here is Union recognition, and collective bargaining, with the pay increase an incidental. Through our Works Council we already have a collective bargaining agreement through elected representatives, free of charge. The Union guarantees to give us the same thing for about \$50,000 in dues. We do not take our Works Council seriously enough, or make it work as it should, because we didn't have to fight for it.

5. No discrimination is shown against Union members in the plant. Union representatives sit on the Works Council.

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We feel that this projected strike is part of a planned program to unionize Canada's steel industry, no matter at what cost to the country—YOUR country. The C.I.O. is following a familiar pattern which has been very successful in the States. Strong and decisive action is needed immediately to prevent further trouble, and forestall a general inflation. Management's hands are tied, the Government is unwilling and unable to act without some overwhelming expression of public opinion.

Now is your chance to do something concrete to prevent a minority sabotaging our war effort. Write the Government. Express your opinions in the papers, and make sure any man who supports a strike in these times realizes what he is doing.

As for us, we take this opportunity to tell the world that we have no intention of being pushed around. Certainly not by any selfish group who feel that the present crisis is a golden opportunity to gain power and raise wages, even at the risk of torpedoing our whole war effort.

We are paying for this notice out of our own pockets, hoping it may help to save us the money we would lose if the Steel Company is shut down by a strike.

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A Committee of  
The Independent Majority of  
the Steelworkers of the  
Steel Co. of Canada

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THE STEEL COMPANY OF CANADA, LIMITED

(Advertisement ends)

## APPENDIX C

## SUBMISSION OF HAMILTON LABOUR COUNCIL

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(Advertisement of Otis-Fensom Elevator Company, Ltd.,  
in The Hamilton Spectator)

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## WHEN IS A STRIKE NOT A STRIKE?

Answer:—When it is dreamed up by any minority and used as a hollow formality to invoke Canada's outmoded labour conciliation laws for the purpose of securing group privileges not otherwise provided for by those laws, and unsupported by any majority intent to strike.

Many Canadian citizens may be surprised to learn that the basic labour legislation with which the wartime problems of 1943 must be solved was drafted as long ago as 1907. This basis, the Industrial Disputes Investigation Act, was originally intended for application to public utilities and railways, and has been adapted by many amendments and emergency decrees in an attempt to cope with present day industrial relations problems. It was originally intended to prevent strikes in a limited field by previous investigation and conciliation. By wider application and the changed circumstances of to-day it has become an incentive to the authorization of strikes, and the declaration of an intention to strike, where no real authority has been given, and no such intention exists. It can be invoked without legitimate reason, on an entirely fictitious presumption, for purposes outside its jurisdiction and intent.

Here is a typical case!

## UNION MEMBERS DISCUSS VOTE

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Endorse Strike Decision in Request  
For Supervised Ballot

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Members of local 515, United Electrical, Radio and Machineworkers of America, voted unanimously last evening to request the Federal Department of Labour to grant a conciliation board to inquire into the local's dispute with the management of the Otis-Fensom Elevator plant.

According to procedure in requesting a conciliation board, a strike vote was taken by union members. Ald. Harry Hunter, field representative of the union, said the strike vote was passed unanimously.

The meeting was held in the Labour Temple and, in addition to the stewards and executive, many members of the local attended, he said.

Ald. Hunter said the local sought the right to have a government-supervised vote taken in the plant, to determine the strength of the local, "and the right of its members to bargain through it." (*The Hamilton Spectator*, Monday, Feb. 15, 1943.)



OTIS-FENSOM ELEVATOR COMPANY, LTD.

Hamilton, Ontario.

February 19, 1943.

The Honourable HUMPHREY MITCHELL,  
Minister of Labour,  
Ottawa, Ontario.

Honourable Sir:—On Wednesday, February 17th, I received a copy of a "Form of Application for Establishment of a Board of Conciliation and Investigation," which being pursuant to the Industrial Disputes Investigation Act calls for your department to give a decision as to the granting of such a Board. This request purports to be based on a dispute existing between that union and this company concerning the negotiating of collective bargaining rights with local No. 515, U.E.R.M.W.A. (C.I.O.). The application declares that as a result of this "dispute", the danger or probability of a strike exists and that the authority to declare such a strike has been obtained. My representations are that you thoroughly consider the implications of this application before you grant such a Board.

I submit that this application is frivolous and without any adequate grounds. I am reliably informed that attendance at the meeting at which the decision to make the application was made, and at which the so-called "strike vote" was taken, was 35 persons, or less than  $\frac{3}{4}$  of 1% of our 4,905 works' employees. This negligible representation and attendance resulted in spite of extraordinary publicity measures, including distribution of handbills at our plant, and press and radio announcements to assure attendance of all interested employees.

No dispute, in the commonly accepted sense of that term, exists as between this company and its employees, and I can only conclude that this application has been made as a last resort in a protracted C.I.O. campaign of agitation and obstruction. The C.I.O. organizers and the very small number of our employees who constitute the executive and membership of Local 515 recently requested this company to enter into an agreement with them, recognizing them as the sole collective bargaining agency for our employees. After full consideration of the request and the claims upon which it was advanced, the company declined to enter into the proposed agreement and submitted comprehensive and conclusive reasons for so doing. These reasons were presented in the form of "A Statement for the Information of Employees", a copy of which is enclosed.

Previous to this request I had, on several previous occasions, interviewed representatives of this local union and thoroughly discussed with them various matters about which they sought information as to the attitude and viewpoint of the company. On one occasion I had a four-hour interview with the C.I.O. organizer of local 515, during which I clarified at length the policy and attitude of the company and, since employees have made no claims or demands upon the company in relation to wages or hours, it is impossible to discover an occasion or grounds for "dispute" in any accepted or normal sense of that term. Furthermore, I can find nothing in the Industrial Disputes Investigation Act to indicate that declining a request for sole collective bargaining rights when based on nothing more conclusive than a claim of majority representation (in face of all available evidence), justifies the finding of a "dispute" within the meaning of the Act.

The declaration that the necessary authority to declare a strike and that such a strike will be declared is also unsubstantial. There is not the slightest evidence, so far as the bulk of our employees are concerned, that a strike of

any kind is impending, or that the probability of a strike exists in any degree. It appears to me that since the Industrial Disputes Investigation Act is cited in part as "an Act to aid in the prevention and settlement of strikes and lock-outs", that the threat or imminence of a strike is an essential antecedent to invoking the act for the purpose of obtaining establishment of a Board. It is common knowledge that in certain labour circles the calling of a strike vote and the declaration that a strike is impending are regarded as a mere superficial formality. I am informed that, in the present instance, when the authority of the negligible body involved to take such a vote and make such a declaration was called into question, the group was assured that these requirements were mere formalities and of no significance except in making application for a Board.

If this is so, then it is clearly evident that the Act is wide open to abuse and may be invoked by a recalcitrant group or minority, as part of a campaign of harassment and agitation. I am thoroughly convinced that the present application is of this nature and that to accede to it would serve to confirm this cynical conception of the Act which constitutes practically the entire legislative basis of industrial relations in Canada.

If the present application for establishment of a Board upon such tenuous grounds were to be granted, it is readily conceivable that the matter might proceed to the ordering of a strike vote under supervision of the Department of Labour. Apart from the entirely disproportionate disturbance involved in conducting such a vote, there is to be considered the loss of essential war production that would directly result. The loss of gun production at the present time would be an exorbitant price to pay to establish a simple fact that is already sufficiently self-evident (i.e., that the majority of our employees were not represented by the meeting from which the application originated and cannot be in any way associated with the authority to declare a strike and have, in fact, no intention of striking). The negligible attendance, in spite of extraordinary publicity, is in itself conclusive proof of this.

In view of the foregoing I most urgently submit that the application in question should be refused on the grounds that it has no relation to the wishes or intentions of the majority of Otis-Fensom employees, and that the consequences of granting it are likely to be injurious to the wartime public interest. Furthermore, it is evident that unless the Minister of Labour makes a careful exercise of his discretion in the matter of granting applications for Boards, industrial management and the great majority of industrial workers are alike powerless to defend themselves against minority pressure tactics such as those indicated in the present instance.

Yours very truly,

W. D. BLACK, *President.*

WDB/ab

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The Canadian public might well question why, at a time when practically all social and economic phases of life are controlled by strict and specific decrees, such vulnerable and inadequate legislation should prevail in the important matter of industrial relations.

OTIS-FENSOM ELEVATOR COMPANY, LIMITED  
Hamilton - Ontario - Canada

(Advertisement ends)

## APPENDIX D

## Submission of Hamilton Labour Council

(Advertisement Signed by Thomas Thompson, Hamilton, Ont.)

## IS THIS DEMOCRACY?

CHECK THE FACTS CONCERNING THE COMPULSORY BARGAINING BILL!

*What Is It?*

It will force all industrial employees into the C.I.O. or the A.F. of L.

It will forbid workers to negotiate with employers through organizations of their own free choice.

It will prevent any one who is not a member of one of these unions from earning a living in industry.

It will place the control of Ontario's entire industrial system under the domination of these two unions.

*Its Effect On The Worker*

He must pay one to two dollars a month union dues.

He will be dominated by one of the two unions.

He will forfeit his rights to organize as most Ontario plants are now organized.

He must sacrifice individual harmonious relations with management.

He may get higher wages (if the Government consents), but higher wages must eventually mean higher prices for the necessities of life. Inflation begins here!

*Its Effect On The Farmer And The General Public*

If the wage and price ceilings are punctured, farmers and the general public will have to pay higher prices for everything they buy.

Or

If the price ceiling holds and the wage ceiling breaks, many products now available will disappear, since manufacturers will be unable to produce them without loss.

This all adds up to inflation that will ruin the value of your savings, bank account, your life insurance policies, and the dollar bill in your pocket.

*Its Effect On The War Effort*

It will generate class strife and class hatred at a time when all Canadians must pull together.

It will create dissatisfaction among the workers if union demands are not met—or it will force the Government to break anti-inflation laws which now protect the whole Canadian public.

It will increase strikes in war plants, transportation and essential civilian industries. An astounding number of the recent major strikes have been called by one or other of these two unions.



*Its Effect On The Manufacturer*

It implies complete breakdown of friendly individual relations between management and employees.

It will mean compulsory negotiation with union agents who are not company employees, who have no knowledge of company customs or policy and no interest in the ultimate welfare of the company or its employees. The chief interest of the two unions is the collection of dues.

It will mean strikes or increased wages (wages can only be raised by Government consent). And that increase must inevitably be paid by the public in the form of higher prices—(also subject to Government control).

*Its Effect On The Two Big Unions*

It gives them dues from a million workers in Ontario. This gives them a revenue of at least several million dollars a year, for which they do not publicly account.

And remember, union books are not subject to audit. Why should unions need this much money?

*What You Can Do About It!*

Wire or telephone your member of the Ontario Legislature, urging him to protect your interests by voting against this Bill which, if passed, will disrupt the war effort, sell out the workers to the two big unions and bring about the catastrophe of inflation.

DO IT NOW! THE TIME IS SHORT—THE BILL HAS ONLY ONE MORE READING BEFORE IT IS LAW

This message reaches you endorsed by a group of small and large manufacturers, retailers and Free and Independent Employees' Organizations and Associations.

Signed in their behalf by Thomas Thompson, Hamilton, Ont.

(Advertisement ends)

## APPENDIX E

## SUBMISSION OF HAMILTON LABOUR COUNCIL

(Extract from *The Span*, Vol. 1, No. 4, April, 1943, on Collective Bargaining Agreements between Hamilton Bridge Company and its Employees)

This Agreement made this 10th day of March, A.D., 1943, at the City of Hamilton, in the Province of Ontario: Between: Hamilton Bridge Company, Limited, Hereinafter called "The Company" of the first part—and—The Employees of Hamilton Bridge Company, Limited in its West End Plants numbers 1 and 2, Hereinafter called "The Employees" of the second part.

*Employees Covered by the Agreement*

Article 1—The term "Employees" as used in this agreement shall not include executive officers, salaried employees, superintendents, foremen, assistant foremen, guards, inspectors, office staff and those having the authority to employ or discharge.

*General Purpose of the Agreement*

Article II—The general purpose of this agreement is to promote the mutual interest of the Company and The Employees; to provide for the operation of the plants under methods which will further to the fullest extent possible the safety and welfare of The Employees; to effect economy of manufacture and increase in production; to improve the quality of the Company's products; to promote cleanliness in the plant and the protection of property, all to the mutual interest and advantage of The Employees and of The Company.

*Representation*

Article III—(a) There shall be a committee to be known as the General Shop Committee consisting of twenty-five (25) members, each of whom, at the time of his election, and throughout his term of office, shall be an employee of The Company with at least one year's continuous service; (b) The General Shop Committee shall be elected annually by secret ballot of The Employees between the 1st and 15th days of November in each year; (c) The General Shop Committee shall be representative of the various departments of the plants; (d) The nomination and election of the members of the Committee shall be conducted in accordance with the rules following, that is to say: (i) The Plants shall be divided into well-balanced voting sections, corresponding as closely as possible to established departments or production units. Each voting section shall be assigned representation in the proportion which the number of employees in each voting section bears to the total employees in the Plants. In cases where one or more voting sections do not comprise sufficient employees to entitle it or them to the nomination and election of at least one representative, then such voting section or sections shall be grouped with one or more other voting sections and so that such group of voting sections shall have sufficient employees, in combination, to entitle them to the nomination and election of at least one representative.

(ii) Any employee who, at the date of nomination has been in the employ of the Company for a period of one year or more, who is twenty-one years of age or over, and who is a British Subject, shall be qualified for nomination and election for the voting section or group of voting sections in which he is employed.

(iii) Any employee who has been in the employ of the Company for a period of thirty days immediately preceding the date of the election, shall be eligible to vote on the election of the Committee member to represent the voting section or group of voting sections in which he is employed.

(iv) In each year, nominations for the General Shop Committee shall be held between the 1st and 10th days of November and the election shall be held not later than the 15th day of November. In any case, the nominations shall take place at least five days before the date of the election.

(v) The nominations shall be by secret ballot and shall be so conducted as to be free from influence or interference with voters in any manner whatsoever; so as to prevent any fraud in the casting or counting of ballots or otherwise, and so as to afford all qualified employees an opportunity to vote.

(vi) At least three days prior to the date on which the nomination is to be held, there shall be posted on the bulletin boards in the Plants a list of all employees qualified for nomination and election and which list shall be prepared by the Company and approved in writing by any three members of the Executive Committee (hereinafter defined) of the General Shop Committee. Further, and at least three days before the date of nominations, there shall be posted on the bulletin boards in the Plants, a list of all employees who are qualified to vote

and which list shall be similarly prepared by the Company and approved in writing by any three members of the Executive Committee of the then General Shop Committee.

(vii) On the day fixed for nominations, there shall be provided on the Company premises, suitable polling booths for the taking of the nominations of all shifts of employees. Such polling booths shall provide facilities to enable the voter to mark and deposit his ballot in complete secrecy and shall further have posted up in a conspicuous place in the immediate vicinity a list, arranged according to voting sections or groups of voting sections, of those employees qualified to be nominated.

(viii) On the date fixed for nominations, each employee qualified to vote shall be furnished with a ballot and such voter shall print or cause to be printed on such ballot, the name or check number of the employee in his voting division or group of voting divisions whom the voter desires to nominate for election as the member of the General Shop Committee to represent his voting division or group of voting divisions. He shall then personally deposit the ballot in a box to be provided for that purpose.

(ix) If, on any ballot, the name of more than one employee is designated for nomination, the ballot shall be void. Any nomination ballot which bears any marking other than the printed name or check number of one employee also shall be void.

(x) In each voting section or group of voting sections, twice the number of representatives to be elected to the General Shop Committee from that voting section or group of voting sections, shall be taken as the number of candidates to stand for election; the candidates so nominated to be determined in order of the highest nominating votes received. In the event of any two employees receiving an equal number of votes for nomination, seniority in length of continuous service with the Company shall determine the choice.

(xi) Immediately following the taking of the nomination vote and the determination of the names of the candidates for election, a list of candidates, according to the voting section or group of voting sections for which they have been nominated, shall be posted in all bulletin boards in the Plants. Such list shall be certified as correct and shall be signed by any three members of the Executive Committee of the then General Shop Committee and also by a representative of the Company, unless the employee who has been nominated for election, and whose name appears on the certified list, gives notice in writing within 48 hours of the posting of the certified list of intention to withdraw his name as a candidate for election, it shall be considered that he is willing and desirous of serving on the General Shop Committee, if elected thereto.

(xii) The election of the representative or representatives of each voting section or group of voting sections shall also be by secret ballot and for which purposes there shall be provided suitable polling booths in the Plants as hereinbefore mentioned and in the immediate vicinity of which polling booths there shall be posted up in a conspicuous place the various names of the several candidates according to voting sections or groups of voting sections.

(xiii) On the day of election, each qualified voter shall be furnished with a ballot on which shall be printed the name or names of the candidates nominated in the voting section or group of voting sections in which such voter is employed and in the order of the number of votes received at the nomination ballot. Each voter shall indicate his preference by marking a cross (x) opposite the name of the candidate of his choice and shall personally deposit his ballot in the box to be provided for that purpose.



(xiv) If, on any election ballot, more than one candidate is voted for, the ballot shall be void. Similarly, any ballot which bears any marking other than the cross (x) shall be void. A ballot any marking upon which extends beyond the space in which is enclosed the name of the candidate, shall also be void.

(xv) The candidate receiving the highest number of votes, shall be declared to be elected as the member of the General Shop Committee representing the voting section or group of voting sections in which he is employed. As soon as the ballots have been counted, the results of the election, according to voting sections or groups of voting sections, shall be posted on the Plant bulletin boards. The ballot box shall be sealed and which seal shall bear the signature of at least one member of the retiring General Shop Committee and one representative of the Company. The ballot box shall thereupon be kept in safe custody under such seal for a period of thirty days then next succeeding the date of the election.

(xvi) The present Shop Committee elected by secret ballot in November, 1942, generally in accordance with the regulations hereinbefore set out, shall continue in office until their successors are elected between the 1st and 15th days of November, 1943. Until such election of their successors, the Company agrees to recognize the General Shop Committee as the representatives of the employees and in accordance with the terms of this agreement.

(e) Any charge or charges of fraud, unfairness or corrupt practice in connection with any nomination or election shall be in writing and signed by two or more employees entitled to vote and one copy thereof shall be filed with the President of the retiring General Shop Committee within a period of two days after the holding of any such nomination or election as aforesaid. The Company and the retiring President of the General Shop Committee thereafter jointly will submit the written complaint to the Chief Conciliation Officer of the Department of Labour for the Dominion of Canada for investigation and such action as he may consider proper.

(f) All arrangements for and the taking of votes for nomination and election shall be in charge of and under the supervision of the Executive Committee of the General Shop Committee then in office and the General Shop Committee shall appoint from amongst their number a returning officer for the taking of the nomination and election votes.

(g) All arrangements for the taking of the nomination vote and the election vote shall be strictly in accordance with the provisions of this Article and shall be approved by a representative of the Company.

(h) On the taking of any nomination or election vote, there shall be two scrutineers appointed for each poll in the Plant, one such scrutineer to be appointed by the Executive Committee of the General Shop Committee then in office, and the other scrutineer to be appointed by the Company. Such scrutineers shall count the ballots in the presence of the returning officer and the Director of Personnel Relations of the Company and the result of the ballot shall, in each case, be certified in writing over the signature of the returning officer, the Director of Personnel Relations and the scrutineers.

(i) In default of a ballot being held for the nomination and election of the General Shop Committee in any year in accordance with the provisions of this Article, any five (5) employees may, by requisition in writing directed to the Chief Conciliation Officer of the Dominion Department of Labour at Ottawa, request the Department to forthwith conduct the nomination and election of a new General Shop Committee as nearly as may be in accordance with the provisions of this Article.

(j) (i) Within five days after election the General Shop Committee shall meet, and from within its membership elect five Sub-Committees, to be known

as Safety Committee, Recreation Committee, Production Committee, Property Committee, and Attendance Committee. Each of these Sub-Committees shall elect from within its membership a chairman of that Sub-Committee.

(ii) The five Chairmen of the Sub-Committees shall constitute the Executive Committee.

(iii) The Executive Committee shall elect from among its members a chairman and vice-chairman, who will also be President and Vice-President of the General Shop Committee.

(iv) The Executive Committee shall appoint a secretary for the General Shop Committee, and this secretary shall be an employee of the Company, but not necessarily a member of the General Shop Committee. The secretary shall in no case have a vote as a member of the General Shop Committee.

(v) The Executive Committee when so appointed and constituted as above mentioned, shall constitute the Negotiating Sub-Committee of the General Shop Committee.

(vi) Vacancies on the General Shop Committee which may occur from time to time by reason of resignation of a member, submitted in writing and accepted by the Executive Committee, or by reason of a member ceasing to be employed in the Company's plants, shall be filled by the appointment to such Committee, in the place and stead of the retiring member, of the candidate who, at the last preceding election, received the highest number of votes next in order to the candidate then elected and, in the event of there being no such person qualified to be appointed to such General Shop Committee, then the vacancy shall be filled by the election of an eligible candidate, as hereinbefore defined, by the employees of that voting section, or group of voting sections, formerly represented by the retired member.

### *Recognition*

Article IV—The Company agrees to recognize and deal with the General Shop Committee as the agency collectively representing the Employees of the Company, the parties of the second part to this agreement, and to deal with such Committee on all questions relating to working conditions, hours of work, wages, health, safety, recreation, education and personal relations and in all other matters pertinent to the welfare and advancement of the interests of The Employees and of The Company. The General Shop Committee shall not be deemed to represent those employees of The Company who are excluded from the provisions of this agreement by the terms of Article I hereof.

The Company agrees to provide space as a meeting place for the General Shop Committee, upon notice in writing 24 hours in advance of the time set for such meeting. On all general matters as well as on matters relating to working conditions, hours of work, wages, personnel relations and the enforcement of plant regulations, the Company will deal with the Negotiating Sub-Committee; on all matters relating to health and safety the Company will deal with the Safety Sub-Committee; on all matters relating to recreation, social and educational activities, the Company will deal with the Recreation Sub-Committee; on all matters relating to production, the Committee will deal with the Production Sub-Committee; on all matters relating to property of the Company and the Employees, and the enforcement of regulations in respect thereof, the Company will deal with the Property Sub-Committee; on all matters relating to attendance, causes and control of absenteeism, elimination of lateness and tardiness and outside transportation facilities, the Company will deal with the Attendance Committee.

*Meetings Between Management and Executive Committee*

Article V—(a) A meeting between the Executive Committee of the General Shop Committee and the Management of the Company shall be held at the request of either party on three clear days' notice and in any case at least once in each month on a day and at an hour to be mutually agreed upon between the Executive Committee and the Management of the Company. At least one clear day's notice shall be given by either party of a desire to postpone any meeting.

(b) A written statement of all matters proposed to be discussed at the meetings between the Executive Committee and the Management of the Company shall be delivered by each of the parties to the other not later than twenty-four clear hours prior to the date of the meeting. This will enable considered decisions to be made at the meetings and the business to be more expeditiously and satisfactorily transacted.

(c) Minutes outlining in brief form the proceedings of all meetings between the Executive Committee and the Management of the Company shall be prepared by the Secretary of the Executive Committee and copies posted on the bulletin boards in the plants within three days after the holding of the meeting. Before such minutes are posted, they shall be approved and signed by an executive officer of the Company. The posting of such minutes shall serve the purpose of informing the employees as to what has taken place at the meeting.

(d) At any meeting between the Management of the Company and the Executive Committee of the General Shop Committee and at any meeting between the Management of the Company and the Negotiating Sub-Committee of the General Shop Committee, such Executive Committee and/or such Negotiating Sub-Committee shall be entitled to have present with them in an advisory capacity any one representative of the General Shop Committee's choice and notwithstanding that such representative may not be an employee of the Company.

*Grievance Procedure*

Article VI—The Executive Committee and/or the Negotiating Sub-Committee shall conduct all discussions and negotiations with Management relating to grievances of employees.

The complaint of any employee relating to any matter affecting his employment or relating to or arising out of this agreement, shall be dealt with as follows:—

(a) In the first instance, the affected employee or member of the General Committee elected from his voting section or group of voting sections, shall take up the matter with the foreman of the department involved and/or the shop superintendent.

(b) If not then settled, the complaint of the employee shall be submitted in writing through the Executive Committee and/or the Negotiating Sub-Committee to the General Superintendent who shall render a decision thereon within three days of the receipt of the complaint.

(c) If the matter is not thereby settled, it shall be dealt with at the next ensuing meeting between the Executive Committee and/or the Negotiating Sub-Committee and the Management of the Company and a decision thereon shall be rendered by Management within three days.

(d) If the matter of the complaint is not settled at the meeting between the Executive Committee and/or the Negotiating Sub-Committee and the Management of the Company, it shall be referred for arbitration under the terms of the appropriate clause of this agreement.



*Seniority*

Article VII—(a) In all cases of upgrading, increase or decrease of forces, the following factors shall be considered and where factors (i), (ii) and (iii) are relatively equal, length of continuous service shall govern:—

- (i) Ability, skill and experience
- (ii) Family status (e.g. number of dependents, etc.)
- (iii) Regular attendance at work
- (iv) Length of service.

(b) For the first three months after the commencement of their employment, new employees shall be probationary employees, but after this period of three months of continuous employment, they shall be entitled to have their names placed on the seniority list in order of the dates of their hiring.

(c) A list of employees entitled to seniority shall be compiled by the Company showing such employees in the order of their respective dates of hiring and a copy of which list as altered from time to time shall be furnished to the Negotiating Sub-Committee.

(d) At times when there is not sufficient work for all employees, the available work in the plants shall be divided as equally as possible amongst the employees who, in the opinion of the Management of the Company are competent to do the work. Other factors being equal, the selection of such employees to perform the work shall be based on seniority.

(e) Seniority shall be broken if—

- (i) An employee voluntarily leaves the employment of the Company
- (ii) An employee is discharged
- (iii) An employee is absent without leave or without reasonable justification for a period longer than 48 hours
- (iv) An employee fails to report for work after a lay-off, and within 48 hours after being called to report
- (v) An employee has been laid-off for a period of more than six consecutive months.

*Hiring and Discharge*

Article VIII—It is mutually agreed that the Management of the plants and the direction and promotion of the working forces, including the right to hire, suspend or discharge for proper cause, or to transfer, and the right to relieve employees from duty because of lack of work or for other reasonable cause, is vested exclusively in the Management of the Company; provided, however, that the Company shall not use such power for the purpose of discriminating against an individual employee or group of employees.

The employees recognize that discharge of an employee may follow for any of the following reasons: Dishonesty; Drunkenness; Theft; Incompetency; Absence without Leave; Smoking, except at specified times and places; Insubordination; Gambling on Company premises; or the violation of any published plant regulations.

It is agreed that all rules, regulations and instructions issued by the Company which do not conflict with this agreement are affirmed and shall continue in force and effect during the life of this agreement or any extension thereof.

*Wages, Hours of Work and Overtime*

Article IX—It is agreed that the matter of hours of work, wage rates and overtime shall be reviewed by the Management of the Company in consultation with the Executive Committee or a Sub-Committee of three members of the General Shop Committee to be appointed by it. Such review and consultation shall be undertaken within a period of ten days from the date of this agreement with a view to the conclusion of a satisfactory understanding in writing

between the Company and the Employees on such matters, providing that such understanding shall be subject to approval by the Regional War Labour Board of Ontario pursuant to the provisions of the Wartime Wages Control Order P.C. 3963 and any amendment or amendments thereof and, after which approval by the Regional War Labour Board, such understanding in writing shall be annexed as a schedule to this agreement and shall form a part thereof.

#### *Discrimination*

Article X—There shall be no discrimination against any employee or employees by reason of him or them being a member or members of any employees' association or by reason of him or them being a member or members of any lawful trade or labour organization.

#### *Stoppages of Work and Arbitration*

Article XI—There shall be no stoppage of work arising out of any difference or differences between the employees and the Company.

If any difference cannot be amicably settled between the Management of the Company and the Negotiating Sub-Committee, it is hereby agreed that the matter or matters in dispute shall be referred to a Board of Arbitration to be composed of one arbitrator appointed in writing by the General Shop Committee and one arbitrator appointed in writing by the Management of the Company and which two arbitrators shall select a third arbitrator who shall be the Chairman of the Board of Arbitration. The General Shop Committee and the Management of the Company shall each appoint their respective arbitrators within five days after the meeting between the Management of the Company and the Negotiating Sub-Committee at which it was determined the dispute could not be settled by amicable means and the two arbitrators thus named shall appoint the Chairman within a further five days. In default of agreement between the arbitrators of the Company and the General Shop Committee upon the selection of a Chairman, either the Company or the General Shop Committee may apply to the Chief Conciliation Officer of the Dominion Department of Labour who may appoint the Chairman of the Board of Arbitration. The decision of a majority of the Board of Arbitration shall be final and binding upon the Company and the Employees. The costs of the arbitration, if any, shall be borne equally by the Company and the Employees.

#### *Safety, Sanitation and Health*

Article XII—It is agreed that the Company and the Employees will co-operate to the fullest possible extent towards the prevention of accidents and the promotion of safety and health amongst the Employees of the Company.

The Company affirms its willingness at all times to receive and favourably consider all constructive complaints, suggestions or recommendations of the employees with reference to matters affecting safety, sanitation and health and improvements in production and the general welfare of the Employees.

#### *War Service*

Article XIII—Should an employee enter His Majesty's Active Armed Forces and after being honourably discharged therefrom, directly resume work with the Company, his record of continuous service for purposes of seniority shall not be considered broken.

#### *Vacations With Pay*

Article XIV—Subject to the approval of the Regional War Labour Board, vacations with pay to employees eligible for membership in the Association will be granted on the following basis:

(a) The vacation with pay will be granted only after the employee has completed one year's continuous service, that is, a minimum of three hundred

(300) days of actual work, the vacation to be allowed for and during the twelve months next following the completion of such period of continuous service.

(b) A vacation will be on the basis of one-half day for each twenty-five days of actual work in the preceding twelve months period, due allowance being made for authorized leaves of absence because of sickness or other justified cause. Thus, an employee who has rendered three hundred days actual service during one year, will be entitled to six days' vacation with pay during the succeeding twelve months and at a time to be designated by the Company.

(c) Vacation pay will not be allowed for vacations not actually taken. If an employee is prevented from taking the vacation by reason of the requirements of the operation, or other justifiable reason, the unused vacation privilege will be allowed to accumulate until conditions in the Plant allow accumulated vacation to be taken.

(d) (i) If an employee, not having been dismissed for cause, leaves the service of the Company for reasons beyond his control (e.g. enlistment in the armed forces); at a time when an unused period of vacation with pay stands to his credit, he will be paid the amount due to him in lieu of vacation, calculated to the date of termination of his employment.

(ii) If an employee leaves the service of the Company of his own accord, or is discharged for cause, at a time when an unused period of vacation with pay stands to his credit, he will be paid the amount due him in lieu of vacation, calculated to the end of his last completed twelve months of service in the employ of the Company.

It is agreed that the Management of the Company shall retain full authority as to the arrangement of the time at and in which each employee may exercise a vacation privilege. It is recognized by the employees that Management has the full authority to postpone the exercise of the vacation privilege of any employee if, in the opinion of Management, the taking of the vacation of any employee or employees would impair the quantity and regularity of production in the Company's plant. The Company agrees to use every reasonable means to make vacations with pay available to all employees who may be entitled under the terms of this agreement at regular intervals and consistent with the importance of production.

#### *Use of Bulletin Boards*

Article XV—The Company will permit the employees the use of the bulletin boards in the plants. All notices to be posted on the bulletin boards shall have the approval of the Factory Manager and who will also arrange for the posting of such notices.

#### *Modification of Agreement*

Article XVI—Either the General Shop Committee or the Company may, at any time, present to the other in writing, proposed modifications or revisions of any of the provisions of this agreement, accompanied by a written statement of the reasons for such recommendations. Within thirty days after such notice is given by either party, a conference shall take place between the Executive Committee and/or the Negotiating Sub-Committee and the Management of the Company for the purpose of considering such modification or revision of the agreement.

#### *Duration of Agreement*

Article XVII—This agreement shall be binding upon the Company and the Employees and shall be in full force and effect for and during the term of the War in which His Majesty the King is now engaged and thereafter from year



to year. However, any modification or revision mutually agreed upon may be made by either party giving to the other at least sixty days' notice in writing before the end of any calendar year of its intention to modify or revise this Agreement. Such notice may be given by the General Shop Committee delivering to the General Manager a copy in writing of a resolution modifying or revising the Agreement, and which resolution has been passed by a majority vote of the General Shop Committee. Such notice may also be given by the Company delivering the same to the President of the General Shop Committee.

*Approval by War Labour Board*

Article XVIII—Upon the execution of this agreement and upon the completion of the understanding in writing regarding hours of work, wages and overtime, as hereinbefore provided, the Company and the General Shop Committee shall make a joint application to the Regional War Labour Board for Ontario, as required under the Provisions of the Wartime Wages Control Order as aforesaid, for permission to make effective any changes in existing conditions which may be provided for by this agreement. Any such changes shall become effective only after approval of the same by such Regional War Labour Board.

Signed on behalf of the Employees by an Executive Committee of the General Shop Committee. E. Novak, President; D. Johnson, Vice-President; A. Williamson, Member; H. Smith, Member; J. Costanza, Member.

Witness: J. McCubbin, as to the signatures of E. Novak, D. Johnson, A. Williamson, H. Smith, J. Costanza.

Hamilton Bridge Company Limited, by G. W. Wigle, President; R. L. Cooke, Secretary.

Witness: Boyd Withers.

## APPENDIX F

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### SUBMISSION OF HAMILTON LABOUR COUNCIL

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(Advertisement of Hamilton Bridge Company, May 26, 1943)

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*To All Employees of the West End Plants of Hamilton Bridge Company, Ltd.  
Who Want to Work*

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1. In ever increasing numbers, our employees are returning to work and are being absorbed as speedily as possible. At the present rate we shall soon have the full complement of men required.

2. Finalizing of Standards and resulting adjustments indicate that our future manpower requirements in certain departments will be considerably less than formerly, due to the fact that certain sections of the plants will be operated on one shift only instead of two as previously.

3. Employees are being put to work, without discrimination, in the order of their applications to return to work, and the sequence in which Departments or Production Groups are re-established.

4. Until May 28th, placement of returning employees will continue, as above, subject to the earlier fulfilment of the manpower requirements of the plants. All persons applying for work after May 28th, will be regarded as new applicants.

5. All applications for work must be made to the Employment Office.

H. G. A. CHAMBERS,  
*General Manager*

HAMILTON BRIDGE COMPANY LIMITED

(Advertisement ends)

## APPENDIX G

### SUBMISSION OF HAMILTON LABOUR COUNCIL

(A True Statement for the Information of Otis-Fensom Co., Workers—  
Issued by Local 515, U.E.R.M.W.A., Feb. 12, 1943)

To the Employees of Otis-Fensom Elevator Co. Limited:

Momentous decisions have been made at Casablanca. The United Nations are on the march. The battle plan has been drawn and preparations are apparently well advanced for the main trial of strength against the enemy. The invasion of Europe is at hand. This is the moment for which we have been preparing for many months past. The opportunity is now with us to strike the death blows at the main centre of the Axis powers, continental Europe, and from there drive straight through to Berlin. The order has gone out to the enemy . . . Unconditional surrender.

At this critical time, when the armed might of the United Nations is being moved into action on the most vital front, when our men will be crowding onto the beaches in the face of intense enemy fire, to make and hold the bridgeheads along which further streams of men and material will pour into the front lines; at such a time when the cry from their ranks will be shells, guns, tanks, planes, more shells, more guns, more tanks, more planes; at a time when on the front lines of battle in Europe there will be expended in a single day, the months of production by thousands of Canadian workers in the war plants of this country; at a time when in desperation, the enemy will send suicide squadrons over the British Isles to rain bombs on the population, when supplies, advancing columns of men and material will have to be protected from enemy planes; when anti-aircraft guns will be desperately needed . . . at such a time the management of the Otis-Fensom spends precious time, precious materials and government funds to issue a broadside against the union of the employees' choice—the union which stands for total effort!

It is a blot on democracy. It promotes confusion, creates diversion from the main task of producing war material and equipment and is an action that ill becomes anyone who lays a claim to being interested in the United Nations winning this gigantic world struggle for freedom and democracy.

*More Guns*

We have no choice but to answer this "statement".

In the main our answer is already known to the employees of this Company; yes . . . and to the management of the Company. Our answer is simply that we want more anti-aircraft guns turned out of this plant.

Now the question is, how can we get those extra guns? First, we must establish complete co-operation between the management of the Otis-Fensom Elevator Company and all of its employees in an organized and democratic manner for the purpose of maximum production. That is why this plant was built, that is why so much money was spent in training a staff and equipping the plant with the best machinery available.

That is straightforward enough in our opinion. That is in full conformity with the plea of our Government. In June, 1940, the Government stated in Order-in-Council 2685 that employees should be free to join unions of their own choice; that employees should recognize such unions, meet with their chosen representatives, and enter into collective bargaining agreements with these unions. That is quite clear. We do not find either the spirit or the intent of that order in the statement issued by the Otis management.

In the same Order the Government sets forth . . . "the best interests of industry and labour are inseparable and . . . the needs of the community at large, especially under war conditions, must be regarded as paramount".

Another Order issued December 1st, 1942, affecting government-owned and operated plants by and on behalf of the Crown, stated as follows: ". . . the Minister of Labour represents that the improvement of relations between employers and employees is of vital importance in accelerating the production of war supplies and munitions of war . . ." and further: "any employee of a Crown company shall be free to join or continue membership in a trade union and participate in the administration and lawful activities of a trade union." . . . "No officer, agent or other employee of a Crown company shall, while acting on behalf of the company, participate in or in any manner interfere with the formation or operation of a trade union." The Order goes on to state that the company may negotiate with the properly chosen representatives of a trade union to which the majority of the employees of such company belong.

*Tribute to Labour*

Throughout the past year the Government has called upon employers and employees to establish full co-operation on production in order that we may supply the fighting fronts. Mr. Carmichael, Co-ordinator of Production for Canada, has this to say:

"I think Canadian Labour is entitled to a great tribute from all of us. We see only our own problems (manufacturers). When we figure the regulations, the freezing of wages, the freezing on their jobs, and many other things that they have been forced to accept, we talk about the freezing of salaries and about income taxes. I frankly believe that the sacrifices that our workers have been asked to make are far beyond those that we have been asked to make as leading manufacturers. This puts a desperate responsibility up to us to see that in all our relationships we enter into a new high sphere of thinking."

The Government has implemented its own orders by and through the management of the Small Arms plant in New Toronto. While this is being written, the agreement between the U.E. and the management of the Small Arms Co. Ltd. is being signed, and the U.E., representative of the majority of the employees of that government-owned and operated plant, is therein recognized



as the collective bargaining agency for all employees eligible for membership in the UE. This agreement and the negotiations thereto make provision for a union committee to conduct a wage survey for the purpose of adjusting wages in that plant in conformity with the needs of those thousands of war workers.

Private companies, some with government contracts similar to that in the Otis-Fensom, are in negotiations at this time with the UE for the purpose of securing collective bargaining agreements. Here are the names of a few now negotiating with the UE:—

Genelco Ltd. (Canadian General Electric Co.), Peterborough, making 3.7 anti-aircraft guns. Electro Metallurgical Company of Canada, Welland, Ont., making carbon electrodes, alloys, etc. Thor Canadian Company, Toronto, miscellaneous machine shop work. Precision Die and Casting, Toronto.

In each of these plants, embodying several thousand workers, similar draft agreements to the one circulated at Otis-Fensom, have been the basis for negotiations. The agreement signed at the Small Arms plant is similar in most respects to the draft at Otis. Differences in such individual contract drafts are the result of discussions and decisions of the UE members in each plant, including the Otis.

These are arguments which the Otis-Fensom management cannot logically evade if it desires to be honest and to conform to the appeals of our government. These are arguments which support the right and the need of Otis-Fensom employees joining the UE and requesting collective bargaining relations with their management.

Instead of trying to establish complete co-operation and partnership with its employees through their organization, however, the management of the company has chosen to attack the union of the workers' choice, to destroy facts and figures, to attempt to confuse the minds of their employees, and to slander and insult the workers in the Ordnance division by saying that in some way or other they are "different" from the workers of the elevator section of the company and inferring that all are not qualified to make up their own minds on the choice of their union. The problems of food and clothing are the same for all workers whether they work in the ordnance section, the elevator section or any other industry.

### *Collective Bargaining Agency*

The Union position on this question is clear. It has been stated repeatedly. Let the employees decide by secret ballot, conducted by government officials, in the plant, under joint supervision by management and union. That is the democratic way. That is the only way in which to decide such a question. The Union is quite confident that the employees know what they want in this regard.

In actual fact, we must conclude that, the refusal of the management to permit such a vote to be taken, the action of the management in issuing the "statement", both are admissions of fear on the part of the management that their employees would, if given a secret ballot, vote overwhelmingly for the UE.

We wish to make it clear to management and to everyone employed at the Otis-Fensom Elevator Company plants that if the preference were ours, we would simply ignore the Company pamphlet as being a ridiculous document not worthy of attention. However, because of the fact that the employees in the main have been incensed by the issuance of the booklet, and have requested us to bring forward the union position once more, we are issuing this document. We do not intend to spend the time taking each one of the company arguments and giving them separate treatment. Instead, we wish it to be understood by the management that we still strive for and will continue to strive for until achieved, labour-management co-operation and understanding on the common tasks which are ours.

*UE Production Record*

There is one "charge" however, which appears throughout the management's "reply" which we cannot ignore and that is the statement that the Union is not sincere in its war and production policy. On this question we will allow no misunderstandings. Our position is positive and our record upholds it despite everything Mr. Black has written.

We state categorically that no union in Canada has done more to develop an understanding of the need for maximum production than the UE. Every item of literature, and there is a mass of it, has carried this message to the workers, has appealed to them to boost production in their plant, has called on them to organize labour-management production committees, has called upon management to co-operate with the unions and with their employees to secure and maintain maximum production. No union in Canada has made the numerous representations to trade union bodies, to government officials, to public gatherings for labour-management-government partnership on production, as have been made by officers and members of the UE. We have carried that policy into action. At the Small Arms plant in New Toronto, the UE introduced the idea of a labour-management production committee. It was accepted by the management and such committees have been operating with excellent results in that plant for many months. At the Coulter Copper and Brass Company in Toronto similar committees were set up. At the CGE Ward St. plant in Toronto a like committee came into being as a result of the UE members' work and UE people on all of these committees have been the ones who made the main contributions to the smooth and continuous operation of such committees.

And for the record, the present Wartime Advisory and Production Plan had its birth with the appeals of the UE to the management of the Otis-Fensom for a bona fide labour-management production committee set-up. That history is interesting and throws a light on the frantic actions of the management at this time. Following the adoption of the UE-SAL plan for production committees at the Small Arms plant, and its endorsement and circulation throughout the country by the Department of National Selective Service, the UE members at the Otis plant sought an interview with Mr. Black for the purpose of establishing a similar committee at Otis. The proposed plan called for democratically elected members from each and every department and for separate meetings and consultations among the employee members of the committee prior to meeting with the management members of the committee. The management of Otis turned it down flat. It was then taken by the UE to Mr. Chant of the National Selective Service. He supported the idea of the UE and interviewed Mr. Black. Mr. Black again said, "No". Shortly after Mr. Black brought out his own plan, the Wartime Advisory and Production Plan or the W.A. and P.P. The UE pointed out certain weaknesses from the standpoint of democratic content, but agreed with Mr. Chant to give the plan a try and UE support. That has been the policy and the practice of the UE members in the Otis plant ever since the Plan was inaugurated. The UE still has many criticisms to offer as to the operation of the plan, but is fully co-operating in trying to make it work.

In order to try to cover up this history of the UE production work, the management has had to resort to putting an official of the company on full-time spy work to try to prove that ONE member of the UE was not a model producer.

In addition to the above record of the UE on production we add a few more details. The UE in Canada has held two major production conferences in addition to several local union and area conferences on this important subject.

The last such conference was held at the Royal York Hotel on December 6th, 1942, and was attended by over one hundred and fifty workers from some twenty-five separate war plants in eight Ontario cities. The conference was

honoured by the presence of the Ontario Minister of Labour, Mr. Heenan; by representative from Military District No. 2; by Mr. Stenning, Director of Conservation at the Department of Munitions and Supply, and by several employers. Mr. Black, though invited, was not present.

The Canadian activities of the UE are quite in keeping with those of our American UE brothers and sisters. In the U.S.A. the UE leads in the number of labour-management committees operating in that country. Some three to four hundred such committees are at work in UE shops out of a total of 1600 at work throughout the whole of the U.S.A. Several large production conferences have been held by UE districts with attendance as high as 400 from one hundred and fifty war plants. UE shops have won the following government awards for production results: 18 Navy "E's", 38 Army-Navy "E", Navy Stars, 1 Army-Navy Star, 2 Maritime Commission "M's". Many UE shops have won awards for top performance in War Bond drives.

### *Grievance and Adjustment Procedure*

There is one further major question dealt with in the "Statement" which we think deserves a little more light. That is the item called Grievance or Adjustment Procedure. There is an interesting bit of history attached to this last "plan" of the Company which will stand review here.

The original plan posted in August, 1941, made provision for an employee with a grievance to have the assistance of from one to three persons not in the employ of the company in respect to appeals to the President.

In the final stage the company was prepared to accept the decision of an arbitration board as final and binding. This plan was withdrawn by the management when it became apparent that the UE was growing strong.

In its place appeared a procedure which forced a worker with a grievance to take it through the management-controlled Industrial Relations Committee. When it became evident that the I.R.C. was doomed to extinction through the actions of the workers, now stronger than ever in the UE, the management introduced a new procedure, which limits outside representation to one person and further demands that the chairman of the arbitration board must be a judge and does not state that the company will accept or is bound by the findings of the board. As a concession, however, to the growing strength of the UE the present plan provides for individual and group's grievances.

In conclusion we wish it clearly understood that the policy of this is the production of the maximum quantities of war goods. We know organization must be founded on organization of the workers into bona fide unions with no connections with the Company and free from interference by the Company. The UE with its 500,000 members is just such a union and it already claims a majority of the Otis-Fensom Elevator Company employees as members.

We are hopeful that Mr. Black will appreciate the overall needs of our nation in this period and will turn away from tactics which only serve to divide and confuse and provoke the employees of the company, and that he will accept as the democratic rights of his employees, their union and representatives as partners in the job of smashing the Axis powers.

We wish to emphasize once more that the policy of this union is NO STRIKE. We also wish to point out that there have been certain provocations made recently which would appear to indicate a desire on the part of some of the management staff to provoke Otis workers. Such provocation must be turned aside. Our case will go to the highest courts of the country if necessary, but we will remain on the job, producing the goods which are needed in the gigantic offensive which is just beginning. We hesitate to do so, but think we should remind the management of this plant that they are responsible for



handling government funds and government equipment and that they therefore have a direct responsibility to the people of Canada, the real owners of that plant and equipment in a major sense.

We again say to the management, arrange a bona fide government-supervised vote in this plant to determine the real choice of the workers as to their bargaining agent.

And we say to the employees of Otis-Fensom Elevator Company Ltd., the UE is determined to give every assistance to you in bringing about any improvements in wages, hours and working conditions which will make it possible for you to produce the extra guns which are so sorely needed. This is no idle promise. Thousands of workers, through the UE, in recent months in Canada, have secured just such improvements in wages, hours and working conditions and are to-day, as a result, better able and more determined to produce greater quantities of war materials.

(Advertisement of the United Electrical, Radio and Machine Workers of America, C.I.O., C.C.L., Hamilton)

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*More Otis-Fensom Guns for General A. McNaughton! U.E. 515's Slogan*

President of the Otis-Fensom Elevator Company W. D. Black's advertisement in the *Hamilton Spectator* of February 23 declared that U.E. Local 515 does not have the support of the majority of the Otis-Fensom employees. It also said that to take a ballot of the employees would harm the war effort. Local 515 claims majority support, and that the taking of a ballot would stimulate and aid the war effort. Furthermore, Local 515 claims that a ballot could be taken without, in any way, interfering with Otis-Fensom production.

We Make This Sincere Offer to Mr. W. D. Black:

- 1.—Choose the day for a ballot of the employees.
- 2.—Agree that the balloting would be held after working hours.
- 3.—Local 515 will pay for the printing of the ballots.
- 4.—Local 515 will abide by the results of the ballot, and asks the Otis-Fensom Company to likewise agree.
- 5.—Have the Federal or Provincial Department of Labour supervise the ballot.

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*U.E. Policy*

Prime Minister King warns that our troops will soon invade Europe. That they will meet a ferocious, formidable foe, armed to the teeth. That our war plants must produce more, faster. That Canadian employers and labour must collaborate fully.

The United Electrical, Radio and Machine Workers of America, 550,000 members strong, understands all this—and wants to do its duty. Our Union recently signed a Collective Agreement with Small Arms, Ltd., Toronto, a government-owned plant, and collaborates fully with management to increase gun output. Across the line, our Union has won Navy and Army pennants for good war production records.

As Canadian citizens, we have the right to join the Union of our choice. We have done so. As members of Local 515 of the U.E., we have submitted our proposed Agreement on wages, conditions and production collaboration to Mr.

W. D. Black, President of the Otis-Fensom Company. Mr. Black refuses to negotiate. He is opposed to democratic labour unionism. He says that Local 515 is impeding production, because we seek for collective bargaining rights.

Local 515 agrees with Mr. Black that the Industrial Disputes Investigation Act of 1907 is outmoded. However, we do go further and demand that the Ontario Legislature and the Dominion Parliament enact laws to:

1. Make Collective Bargaining a legal right of Labour.
2. Bring Labour and Management together to negotiate.
3. Settle industrial problems by arbitration.

Mr. Black says nothing about these questions.

### *Labour's Rights*

Over 250,000 Canadian workers have won collective agreements. British and American workers' trade union rights are guaranteed by law. We, Otis-Fensom workers are fighting for the same rights.

The alternative to harmonious labour-management relations is strife, bickering, lockouts and strikes. We want the most complete labour-management harmony and collaboration to help win the war and the peace which will follow.

But . . . Organized Labour's sacrifice and efforts are not enough, alone!

Victory on our production front demands co-operation from Management . . . and Action from Government!

### *We Solemnly Declare*

The most serious crisis is brewing at several Hamilton war plants. That this crisis arises because of the company-"union" drive sponsored by certain employers.

If this crisis is not solved there will be interruption of production through lockouts or provoked strikes. That Organized Labour will not be responsible for this.

How can the crisis be solved? By the managements negotiating with the bona fide Unions of the workers' free choice.

By the Ontario Legislature enacting a Labour Rights Bill providing for Collective Bargaining and Union Recognition.

By the workers building up their bona fide Unions, and co-operating with all patriotic forces to solve the crisis.

United Electrical, Radio and Machine Workers of America, C.I.O., C.C.L.,  
472 Barton St. East, Hamilton, Ontario.

(Advertisement ends)

Mr. J. A. SULLIVAN (President, Canadian Seamen's Union): Mr. Chairman and Members of the Board, Mr. Ferguson will deal with the main brief, and I will have some submissions to make later on.

Mr. D. FERGUSON (Secretary-Treasurer, Canadian Seamen's Union): The brief, Mr. Chairman, is as follows:

The officers and members of the Canadian Seamen's Union—affiliated with the Trades and Labour Congress of Canada and the American Federation of Labour—who are manning the ships carrying vital war materials on the Great Lakes, the St. Lawrence waterways, and the salt water, warmly welcome the inquiry into labour relations undertaken by the Federal Government.

In the mobilization of Canada's resources for victory over Hitlerism, it is axiomatic that the entire labour movement should participate to the fullest.

Premier King on many occasions has voiced the common interests which to-day unite all classes of the Canadian population. In October, 1942, addressing the convention of the American Federation of Labour in Toronto, he stated:

"I should like to see labour-management committees in every industry in our country . . . Happily the principle of the partnership of management, of workers and the community is making steady progress. Where it is tried it is proving its worth. It is only by fully realizing and accepting this partnership that the necessities of industry can be harmonized with the hopes of humanity."

One of organized labour's most often repeated demands has been for the full participation of labour in the war effort as an equal partner with all other sections of society.

This demand, indeed, is the central problem facing the Canadian people to-day, and is the basic, economic, social and political need which has given rise to the present crisis in industrial relations in Canada.

Labour has, in the main, placed its entire weight behind the government's war time policy. Workers have willingly entered war industry and the armed services in great numbers. They have accepted the burdens of increased taxation and have overwhelmingly subscribed to the Four Victory Loans. War time restrictions and sacrifices have been accepted in a spirit of co-operation. In the main, the weapon of strike action has been voluntarily given up in the interests of uninterrupted production. A degree of labour-management-government co-operation on specific problems has been achieved.

But the partnership of labour in the national front for survival against Hitlerism is partial and incomplete. The field of industrial relations is the scene of sporadic and rapidly increasing conflicts between labour and management. The existing wage provisions of the federal government, and the contradictory tendencies in its labour policy, are the main cause of this growing conflict, because they make it possible for employers to withhold and obstruct recognition of the workers' democratic rights.

The invitation of the National War Labour Board to public bodies to take part in this inquiry is accepted by the Canadian Seamen's Union in the hope that the inquiry will bring the just grievances of organized labour to the attention of the government and the people of Canada, and make possible the enactment of a federal labour code conducive of harmonious labour-management relations during the present crisis, and their extension into the post-war world.

#### *The Role of the Canadian Seamen's Union in Canada's War for National Survival*

The Canadian Seamen's Union is proud to be able to point out that, to a considerable degree, in the shipping industry, our organization has been able to achieve recognition of the labouring seamen as equal partners with other groups, and to effect a major contribution towards solving some of the many problems of the marine industry in war time.

This contribution has been made possible only because, in this industry, collective bargaining machinery has been established by which the differences between the men and the companies can be settled, enabling them to jointly tackle broader war time problems.

As a result of our collective bargaining agreements, the low wages of seamen have been raised and working and living conditions have been improved. The Union has succeeded in bringing about a number of improvements in working conditions and safety regulations on the Great Lakes ships.



*The stepped up tempo of work aboard ship during the time period could never have been effected and maintained under the working conditions which prevailed before the organization of the Union. The implementation of collective bargaining rights has proved as necessary to the efficient operation of the industry, as water is to a ship.*

### *The Struggle of the Canadian Seamen's Union to Achieve Recognition*

The struggle of the Canadian Seamen's Union to achieve this position has been a long, uphill one. From its foundation in 1936, the Canadian Seamen's Union has been forced to fight for every inch of ground that it has gained. At the cost of thousands of dollars contributed solely by low-wage seamen; against the bitter and unscrupulous opposition of anti-union managements of shipping companies; fighting a fraudulent company union; without the support of governmental policy or legislation; at one period continuing its struggle without the guidance of its leadership, who were interned for what, it was later revealed, represented their activities on behalf of the Union; the Canadian Seamen's Union has steadfastly set its course and charted its way through these destructive reefs and shoals to the point where, to-day, it is recognized as the collective bargaining agency for the majority of the industry. The Union is now able to take its place as a responsible, constructive force, together with the shipping companies and the government, in the building of a total war effort in the marine industry.

We bring forward the history of the Union at this time because it so clearly demonstrates the licence which anti-labour forces in this country have been allowed; the struggle for mere existence which has been imposed on trade unions; and the hostilities, strike provocation, and disruption of industry which has resulted from the lack of a clearly defined federal labour code.

### *Pre-Union Conditions*

Conditions in the shipping industry before the foundation of the Canadian Seamen's Union were chaotic. The unorganized seamen were subject to low wages, over work, wage cuts, unemployment, and in many instances, unsatisfactory food and sleeping conditions.

In 1936, before the organization of the Canadian Seamen's Union, prevailing wages on the Great Lakes were at a starvation level; for example, wheelmen and oilers, who are skilled men, received only \$55 per month, while deckhands received only \$35 per month. Lack of safety devices, such as radio, disregarding of the plimsoll line, and other types of neglect, were a constant hazard to safe navigation and the lives of the sailors.

During the early thirties, and long after the organization of the Canadian Seamen's Union, the seamen suffered from a company union, headed by Captain H. N. McMaster, and variously entitled, the "National Seamen's Association," the "National Maritime Federation," and the "Canadian Brotherhood of Ships' Employees," which was utilized by the shipping companies to perpetuate these conditions.

Mr. COHEN: Is that the McMaster set-up?

Mr. FERGUSON: Yes.

### *First Two Years of the Canadian Seamen's Union*

The spontaneous growth of the Union, from a group of ten men in the spring of 1936, to an organization representing 80 per cent of the Great Lakes seamen inside of a year, all of whose leaders from the first to the present were and are sailors, substantiated the desire of the men to rid themselves of these conditions.

After the navigation season opened in the spring of 1937, the Union attempted for three months to meet with the operators of 26 lake and river shipping companies, but met with complete refusal. In order to get action, the

Union was forced to issue a strike call, setting a four-day deadline. During this period, the companies, in most instances, held meetings of the men, and canvassed the crews to settle for a \$10 increase in wages, if they would forget the Union. It was only when they realized the crews in every instance supported the Union that the companies, four hours before the deadline, agreed to meet the Union, and settled for wage increases averaging \$12.50 per month. But at that time, the companies refused to enter into a written agreement. The Union, not wishing to strike, and hoping the operators would recognize the Union, settled without a written agreement.

It was obvious that the shipping companies refused to meet the Union except under threat of a general strike and in the absence of collective bargaining guarantees, the Union's only recourse was the weapon of strike.

Repeatedly in the years that followed, the seamen, without funds or backing—sleeping on the floors of Union halls while on strike, being fed sandwiches donated by other unions—were forced into the position of having to fight for the elementary right of trade union recognition with the only weapon they possessed, withholding their labour.

### *Fostering of Company Unionism and Provocation of Strikes*

Although the operators did come to an agreement with the Union verbally, their refusal to sign a written agreement at that time, and subsequent events, showed that they had not accepted the principles of collective bargaining, but had only settled because of the spontaneous demonstration of the crews; for immediately, during the winter of 1937-1938, they called in the company union organizer, McMaster of Montreal, and deliberately organized the "Canadian Brotherhood of Ships' Employees", a company union, in an attempt to smash the Union of the seamen's own choice. A "closed shop agreement" was signed with this outfit, that did not represent the seamen, requiring every applicant for a job to sign with it before being hired.

This violation of their verbal agreement with the Union was protested by the Montreal Trades and Labour Council to the Federal Departments of Labour and Transport, but there was no redress for the Union, and the shipping companies continued their anti-labour policy.

In April, 1938, the issue was brought to a head by flagrant discrimination against Union members aboard the boats of the "Red Barges" (Campbell interests), then under Union agreement, the Company laid off the after crews for refusing to join the company union, and attempted to replace them. The seamen were forced to make hasty preparations for a general strike on the Great Lakes, to rid themselves of a company union, and to win the democratic right to choose their own union and to gain recognition for the union of their own choice.

When the strike was called that same month, April, 1938, not one ship of these companies moved, which proved that the men were all members of the Union. Within three days, the strike was settled, and the ships moved out with union crews.

The responsibility for the first strike in the shipping industry must be placed entirely on the anti-labour policies of the shipping companies, and the lack of collective bargaining guarantees. Had protective labour legislation existed, this strike would not have taken place, and there would have been no disruption of the industry.

However, as soon as the ships got underway, some of the companies continued to snipe at the union members, and to carry on the same anti-union policies as before, violating their own agreements. Union men who had been fired were refused re-instatement, and men were forced to yield their union membership books on threat of firing.

Protests to government officials failed to bring results. The Union decided to strike the ships operated by the Campbell interests. The strike was successful, and the company again signed an agreement promising not to discriminate against union men.

The Union hoped that the pirate ship of company unionism had been finally scuttled. But the strike was hardly over before the companies attempted to put a new face on the company union by calling in McMaster and a few of his stooges to form another fink union, calling it the "Marine Workers' Protective League of Canada."

We would like the board to give particular attention to the attached affidavit of John M. Osborne (Exhibit B), which very clearly illustrates the disruptive role played by company union organizers, such as McMaster, keeping in mind that this person was head of the company union that provoked the general strike at the opening of the navigation season in the spring of 1938, and which again, aided and assisted by the companies, provoked the tie-up in the Cornwall canal in the summer of 1938.

Each time the plans of the companies were frustrated, and their attempt to use McMaster's outfit were exposed, and his organization was completely discredited in the eyes of the men.

The companies then tried to remodel the organization, changing the name to the "Marine Workers' Protective League of Canada," and using paid organizers to make it appear that it was a new organization. The attached affidavit shows that McMaster was part and parcel of that organization, helping to plan its organization along with company officials and company lawyers, the companies paying for the publication of its literature, its membership books, and even going to the extent of buying suits of clothes for some of their representatives, so that they would appear respectable. They also paid the representatives wages with the agreement that this income would be supplemented by whatever they collected in the way of dues. The affidavit further substantiates that the sole purpose of the organization was to disrupt the Canadian Seamen's Union, as illustrated by the literature that they published at that time, of which we are submitting a sample.

McMaster continued his activities in the strike of 1941, which will be shown subsequently. Not only that, being discredited on the Lakes, he carried on his disruptive activities in the salt water shipping on the East Coast. This is clearly shown in the attached letters from Knickle, one of his former organizers, the Norwegian Seamen's Association, and a prominent lawyer of Montreal to one of the members of parliament, and we here wish to read extracts from a letter from the National Union of Seamen of Great Britain to the Norwegian Seamen's Association, to show their opinion of this individual.

"McMaster enjoys a very unsavoury reputation in British circles and no one is allowed to engage through him. In fact I understood that a gentlemen's agreement existed whereby no Allied authority would use him."

It has been proven beyond a doubt that this self-interested individual has no support amongst the seamen. The existence and perpetuation of his organization is solely due to the financial aid and assistance given him by the companies, forcing seamen to pay dues into his organization by threats of losing their jobs. As long as company unions like this are allowed to exist, and companies allowed to carry on such discrimination, labour strife and industrial stoppages are bound to occur.



### *Winning of Signed Agreements*

The companies' attempt to remodel the company union after the strike of 1938 was ineffectual, and due to the firmness of the Union, in August, 1938, the Union obtained its first signed agreements, bringing about 85 per cent of the total Great Lakes shipping industry under written contract.

However, it soon became evident that some of the shipping companies did not wish to live up to the terms of their signed agreements. In June, 1939, the Union brought to the attention of the Misener interests (Sarnia, McKellar and Colonial Steamships) of the Canadian Lake Carriers' Association, that they were failing to observe the preferential hiring of union men, which was part of the terms of the agreement.

As the company refused to discuss the charges, the Union had the Minister of Labour appoint an arbitrator, as provided for in the agreement, and hearings were opened. The report of the arbitrator was to the effect that the ship-owners were "under a duty to give preference to the members of the union" and that "Captain Misener and the lines set out have not complied with this obligation in a positive way".

This arbitration was supposed to be final and binding, but the companies persisted in ignoring their responsibilities. It was left to the Union to enforce the terms of the agreement, the union members taking action to enforce it aboard ship. In doing so, it led inevitably to hostility between labour and management.

We want to point out that the refusal on the part of employers to do business with the union deliberately provokes strikes. Where the industry has accepted collective bargaining agreements, as has been generally done on the Great Lakes, there has been a marked improvement. The fact that our industry last year and the previous year, with fewer ships, has moved a greater tonnage, is evidence of what can be done with better relationship between the companies and the employees. It has produced good results. I can quite well imagine the chaotic condition our industry would be in if the conditions prevailed before the unions came to an understanding. We still have some difficulty because of low wages, but our organization has doubled the wages on the Great Lakes.

MR. COHEN: There was an agreement set up between your union and the companies, whereby the Maritime Adjustment Board was ultimately to arbitrate between your union and the companies. Has there been much occasion to use that board, or have you found as the result of collective bargaining relations that you have been able to limit disputes?

MR. FERGUSON: I think we have only had to use the board once since 1940. There has been no dispute within the industry that we have not settled ourselves. We propose to extend that machinery to cover salt water. There has been only one instance in which we have bothered the Maritime Industrial Board.

Now I come to the question of the Nova Scotia fishermen and the Lockeport lockout:

### *The Nova Scotia Fishermen and the Lockeport Lockout*

One of the most glaring examples of the flagrant disregard of collective bargaining rights in the history of the Union was the case of the lockout of 647 fishermen and fish-handlers by two fish packing plants at Lockeport, Nova Scotia.

The fishermen organized two locals of the Canadian Fishermen's Union, affiliated with the Canadian Seamen's Union, with the assistance of President Sullivan, and sought to meet the managements of the two cold storage plants, the Lockeport Company and Swim Brothers, for the purpose of collective bargaining.

The desire of the fisherfolk for the rights of collective bargaining, in order to improve their miserable conditions, was expressed in their appeal of November 10, 1939, to all trade unions:

For years it has been known throughout the country that the fishermen and fish-handlers in Nova Scotia, in fact, the fishing communities on the Atlantic seaboard, constitute the most poverty stricken in the country... Newspapermen from all over the country came down to describe our poverty, which the people of Canada could hardly believe...

We have made many attempts to organize ourselves in different organizations and under various banners but, between government authority and the powerful fish companies, we were driven from pillar to post, our weak and dependent organizations were destroyed—but our misery and poverty remained.

At last a real beginning was made and a new hope was instilled in the life of the fishing folk. The Canadian Seamen's union, an affiliate of the American Federation of Labour and the Trades and Labour Congress of Canada... came to help us organize. Their officers and their entire organization have shown us for the first time how to really establish a sound and permanent trade union... Entire communities pin their hopes on this new organization of ours...

But the large fishing companies are evidently opposed to any improvement in our lives and they have begun a destructive attack on our union. They refuse to deal with our organization. They flagrantly deny us our legal rights. They shamelessly state that we must withdraw from this lawful union and form company unions in every plant and with each company.

Instead of dealing with the representatives of the Union, the companies refused pointblank and threatened to close their establishments. Soon afterwards, they shut down the plants and sent their employees home, clearly stating that they were not going to recognize the Union.

The Union endeavoured to register the newly-formed locals under the Nova Scotia Trade Union Act in order to effect a settlement, but they met with delay and refusal on the part of the provincial authorities, on the pretext that it was not purely a Nova Scotia union but had affiliations outside of Canada.

For eight weeks, approximately 700 fishermen, fish-handlers, their wives and families picketed the plants. The source of the income of the entire community had been cut off, as almost every Lockeport citizen was dependent on the fishing industry for his livelihood. The locked-out union members had to depend on donations from other trade unions and sympathetic bodies for food. The overwhelming desire of the people to have the Union recognized was demonstrated clearly by their willingness to stand firmly behind the Union in this crisis.

The Halifax District Trades and Labour Council called upon the provincial and federal governments to enforce the rights of collective bargaining. A representative of the Dominion Department of Labour, Mr. E. M. Quirk, was sent to Lockeport, but the results of his discussions with the companies were negligible.

Several attempts of the companies to break the picket lines and to move fish were frustrated by the solidarity of the Lockeport citizens, despite the assistance given the companies by 200 R.C.M.P. On one occasion, a pitched battle took place between 70 R.C.M.P. and 700 pickets, when the former tried to open the way for the passage of some fish.

The outcome of the eight weeks' lockout can best be summed up in the following memorandum, adopted by the union membership on their return to work:

The following is a memo from the conference held in the Premier's office yesterday: After a conference attended by representatives of the fish handlers of Lockeport, representatives of the companies and representatives of the Nova Scotia government, the following statement was made and agreed to be a fair summary of the discussions:

1. Both Swin Brothers and the Lockeport Company are prepared to open the plants at once and take back their former employees as rapidly as conditions warrant. Each company agrees not to bring in outside labour as long as labour is available from among their former employees.

2. The companies repeat the position which they have previously taken, namely, that they are willing to bargain with employees as is required by the terms of the Nova Scotia Trade Union Act. This means that the men are free to join a union of their own choice.

3. The companies declare again, as they have declared previously, that under the Nova Scotia Labour Act they are not required to recognize persons who are not employees within the meaning of the Act, and they will not do so.

Mr. COHEN: The company had been declining to deal with the union representatives?

Mr. FERGUSON: Yes, they claimed our organization was outside of Nova Scotia because it covered people in other parts of Canada as well. They said it was not a purely local union and so should not be recognized under the act. The company got away with it, and there was no agreement reached. They went to work immediately after that and started a company union.

The membership felt that, although the acceptance of the above proposals was not a complete victory for the organization, still they should be accepted rather than have serious trouble which it was felt could not be averted much longer, considering the presence of approximately 200 mounted police in Lockeport.

The fishermen, fish handlers in Lockeport are still fully determined to maintain the union of their own choice, namely the Canadian Fishermen's Union which is the only international organization in this field.

We would particularly point to Paragraph 3 in the memorandum. This quotation proves the inadequacy of the Nova Scotia Trade Union Act.

This costly lockout, and the denial of the rights of Nova Scotia citizens, would have been impossible under genuine collective bargaining legislation.

#### *Government Wartime Labour Policy*

Shortly after war was declared in 1939, the Dominion Government extended the Industrial Disputes Investigation Act to cover approximately 85 per cent of industrial establishments in Canada. The effect of this act is that employees covered by the act cannot strike until a Board of Conciliation has investigated the dispute and made a report to the Minister of Labour.

While we, and the majority of organized labour, agree to a no-strike policy in war time, our experience and the experience of most other unions has been that the application of the Industrial Disputes Investigation Act, and the procedure used by the Department of Labour, has failed to settle industrial disputes expeditiously and satisfactorily, particularly in newly-organized fields where no agreements were in force.

The delay involved in the proceedings often provides a period of time during which the company is free to carry on anti-union discrimination and propaganda, to delay negotiations and agreements, and generally to weaken and discourage trade union organization, since no restrictions are provided against such activities on the part of the employer.



This was clearly demonstrated in the strike on the Great Lakes ships in the spring of 1940. The companies, taking advantage of the expiration of the previous union agreements, and the restrictive provisions of the Industrial Disputes Investigation Act, followed a policy of evasive non-cooperation on the renewal of agreements, with the object in view of forcing the union into long drawn-out conciliation proceedings, and making it necessary for the men to go back to work without the protection of a union agreement.

If, at this time, the Union had submitted to the companies' manœuvring, instead of taking strike action, it would have meant that union officials would not have been allowed to board vessels to contact the men, union members would have been fired, and non-union men hired to replace them, in fact, a general campaign against the union to weaken it; and since it was known that any report of the Board of Conciliation would not be mandatory, the companies would be free to ignore the report and entirely eliminate the Union.

*The Union, while ready to conciliate differences of opinion regarding the terms of the agreements, took the position that the existence of the organization could not be arbitrated or conciliated, and prepared for a general strike, which was called on April 15, 1940.*

Within ten days, a settlement was reached with the companies which provided that the seamen would go back to work with increases of \$7.50 monthly, and that the terms of the previous agreements would remain in effect until after conciliation proceedings; all other matters in dispute were referred to a Board of Conciliation and Investigation established under the Industrial Disputes Investigation Act, composed of Justice C. P. McTague, Chairman; F. Wilkinson, K.C., representing the shipping companies; and J. L. Cohen, K.C., representing the Canadian Seamen's Union.

#### *The Findings of the Board*

The brief presented to the Board by the Union stated that the cause of the dispute was to be found in the attempt of the operators to deprive the crews of union protection and to abolish collective bargaining. This was particularly noticeable in their desire to do away with the machinery by which collective bargaining was carried on, such as the right of union representatives to board vessels when at port, the right of ship's delegates to present and clarify crew grievances, and the preferential hiring of union members. The basic source of the dispute was to be found in the need for trade union recognition and collective bargaining guarantees.

The position of the Union was best summed up in a quotation from the Union's brief to the Board:

Advanced thought and practical experience have established that to enable unions to play a proper role, either in respect to the industry in which they belong or the community or nation as a whole, Unions must be given proper status and recognition, with no door left open to anti-union manœuvring, and their members given that job security, adequate wage payment and working conditions which enable the workers as individuals and the Union as their collective expression to devote themselves fully to the constructive tasks which can be accomplished.

Contrary to this position, the briefs of the steamship companies to the Board, in the main, openly gave as their position a complete rejection of the principles of collective bargaining, and particularly objected to the functioning of the ship's delegates, preferential hiring, and the principle of the union ship.

In reply to the statements of the operators, the Union pointed out to the Board that none of the companies had been able to justify their refusal to recognize the Union—a point which was substantiated by the report of the board when it appeared.

As a result of the better relations resulting from the discussions, the path to settlement of the dispute was opened, and the conclusion of new agreements between the Union and some of the shipping companies appeared likely. In the midst of negotiations, in June, 1940, President Sullivan was arrested and interned, under Section 21 of the Defence of Canada Regulations.

The vice-president, Charles Murray, the secretary of the Union, J. Chapman, and the editor of the Union newspaper, D. Sinclair, were similarly arrested. The Union was obliged to carry on without the assistance of its leaders, which weakened its position during negotiations. However, on June 26, 1940, agreements were concluded with seven companies who expressed willingness to recognize the Union. Further negotiations with the dissenting companies had to await the release of the Report of the Board, which was issued in January, 1941.

The Report of the Board, which was unanimous and bore the signature of the representative of the shipping companies, entirely vindicated the position and claims of the Union, and recommended that all companies party to the dispute sign agreements with the Union similar to those signed by the operators who had already recognized the Union.

We quote extensively from this Report, not only to reveal what the findings of the Board were with regard to the union's position at that time, but also because we feel that the Recommendations might well be taken as the principles of a federal labour code which we could support as conducive of good labour relations, particularly paragraphs 18, 19 and 20.

The report recommended as follows:

15. It should be further noted that no suggestion has been made to the Board, on behalf of any of the four dissenting companies above listed, that any separate or different conditions prevail with respect to their business, which would make inapplicable to their particular situation any of the specific provisions of the agreement now signed. If it is appropriate, therefore, and we now deal with that question, that if an agreement should be entered into by these companies with the union, such agreement, in our opinion and recommendation, should be in the terms of the document already signed.

17. The matter remains then to be disposed of on the basis of the general principles and considerations applicable to industrial policy and industrial relationship. As industry has grown and developed, the right of work people to organize into collective associations of trade unions, and through such organizations to bargain collectively with their employers as to the terms and conditions of their employment, has been increasingly emphasized. It is a right acknowledged now by law, by industrial practice, and by public policy. It has been verified by many important public pronouncements.

18. These rights cannot be said to be effectively acknowledged unless employers are willing to negotiate and enter into agreement with the organizations which the employees have selected or formed in the exercise, in good faith, of their legal and public rights. This is in accordance with the principle enunciated by the Government of the Dominion of Canada in its order in council of the 20th June (No. 2685) and later confirmed by P.C. 7440 of the 16th December, 1940, of:

The right of association (of workers) in labour bodies and the right of organized work people to enter into collective agreements through which they may expect to exercise a more organic influence on the processes of industrial life.

19. The abstract rights which it is conceded now belong to labour, can only be said to exist in a concrete sense of collective bargaining is practised and collective agreements are concluded. It cannot be said too clearly that labour can no longer be regarded, if it ever was correct so to do, merely as a commodity, labour is a partner in industry, and as such it is entitled to have not only the right to organize but the corresponding right and opportunity to utilize its organization for collective negotiation and agreement with employers.

20. Three-fourths of the industry before the Board have now clearly recognized those principles by concluding with the Union the agreement we have above referred to. We are confident, certainly we hope, that this terminates any difficulty within the industry, in any event as to those subscribing to the agreement, by reason of failure or refusal to observe and implement the principles of collective bargaining. At the same time it must be recognized that acceptance by the industry in good faith of the full principles of collective bargaining carries with it the duty of the employees, and of those who administer their Union, to discharge their own responsibilities constructively and with due regard to the problems of the industry.

21. We are clearly of the opinion that, pursuant to the policy adopted by the companies who have already signed this agreement, the companies who have not yet done so should concur and participate in the industrial process which has now been established. We recommend therefore, that these companies... should at once sign, and so concur in and complete, the industrial agreement which it is our privilege to report to you, Sir, is now established policy in the industry of Great Lakes freight navigation.

It was hoped that the report of the McTague Board would bring the dissenting companies to a realization of their responsibilities. However, the recommendations were merely advisory, and in the absence of federal collective bargaining legislation, it was left to the Union to promote meetings with the companies in an endeavour to have them adopt the Board's recommendations. But the companies refused to meet the Union—in fact, the ink was hardly dry on the Report of the Board before Captain Beaupre, operator of the Keystone Transportation and Gulf lake Companies, again signed a "closed shop agreement" with the company union organizer, McMaster.

The Union was forced to attempt to enforce collective bargaining through strike action.

During the strike, which was called in April, 1941, the employers, although very voluble in accusing the Union of being unpatriotic for striking, did not hesitate to leave their ships at the docks for a week or two at a time, while they travelled through the countryside recruiting scabs. The scabs were brought in taxis to the wharves and escorted to the ships by cordons of police officers. In some instances, ships were taken out into the harbour and anchored there, while men were brought up the coast and transferred to the ships in motor launches to evade the picket lines. In nearly every instance, the companies took their vessels out short-handed, with skeleton crews, a condition which represented a threat to navigation. One ship passed through part of the Welland Canal with no unlicensed personnel aboard, not even a cook. Instead of the company being brought to task for operating a ship without sufficient crew, the business agent of the union, Mr. Antonsen, was arrested while carrying out his union duties and sentenced to nine months in jail for the sole reason of boarding that same ship without permission of the master, a thing that is done every day.

Because of the refusal of certain shipping interests to accept the Recommendations of the McTague Board, the crews of certain lines were, and still



are, denied the right of collective bargaining. This denial remains a source of constant friction, and represents nothing but the selfish attempt of a minority group to perpetuate strike and disrupt the industry.

In the light of the struggles just recounted, the fact that the majority of the shipping industry is under signed agreement with the Union represents a major achievement in labour history. We feel a justified pride in the unwavering determination of our organization not to be intimidated by the anti-union manoeuvring, the company unionism, and the strike-provocation of certain shipping interests, but to go forward without faltering to the goal of genuine collective bargaining, union recognition, and the stabilizing of conditions in the industry. We hope we have demonstrated to the Board that the sole cause of this stormy struggle has been the anti-labour policies of the shipping companies, encouraged by the lack of protective labour legislation.

We are proud of the mutual respect and co-operative relationships which have developed between our organization and those shipping companies which have recognized and dealt with us. Recognition of the Union has resulted "with mutual advantage to the parties concerned," as indicated in the Report of the McTague Board:

The adoption of this agreement by such a decisive majority of the industry, is itself a recommendation both of its specific terms and the relationship it establishes between the employers and the Union. It is the Board's opinion, reinforced by the judgment of three-fourths of the industry, that the specific terms of the agreement are proper, reasonable and constructive. In this connection it is not without interest to note that the agreement has already been in active operation for a period of several months, and that there is every indication that it has operated successfully and with mutual advantage to the parties concerned.

#### *The Canadian Seamen's Union and the War*

Recognition of the Union has provided machinery for the settlement of the seamen's grievances and has provided a basis for the development of harmonious relationships which alone have made possible a joint effort to meet wartime problems.

This was demonstrated by the fact that, even while interned, in 1941, the leaders of the Union discussed the role the Union, as acknowledged representative of the seamen, might play in strengthening Canada's war effort.

Out of their discussions grew proposals for a brief which was presented to the government in January, 1942. This brief proposed ways and means of mobilizing the shipping industry for a total war effort, and building and manning a merchant marine.

This programme was published in May, 1942, under the title of *A Victory Programme for Canada's inland and deep sea Shipping to meet the Urgency of Canada's Wartime Shipping Demands*. Its main proposals were for the joint planning and joint executing of plans by shipping companies, marine labour unions, and the government, for the purpose of stepping up the tempo of shipping operations on the great Lakes, and the creation of a Canadian Merchant Marine to meet the crucial problems of wartime shipping.

In May, 1942, the leaders of the Union, following their release from internment, met the Federal government to discuss the proposed victory programme.

Hon. C. D. Howe, Minister of Munitions and Supply, acting minister of transport; and Hon. Humphrey Mitchell, Minister of Labour, met the delegation. Mr. Howe paid tribute to the constructive proposals of the Union, and stated that the "Victory programme" was one of the finest things that he had seen.

The "Victory Programme" was a programme which could be developed into a national plan for the Canadian shipping industry. Its correctness has become more and more apparent with the passage of time, as some of its recom-

mendations have been adopted—for example, the adjustment of wages in the Manning Pool, the operation of the Manning Pool for Canadians going aboard Canadian ships, and the turning over of ships built in Canada to the Canadian registry—and other proposals are being adopted. But it was apparent that the full joint planning and execution of the programme could not be effected unless the Union was given full recognition and a share of responsibility in executing it. It is our opinion that the Conference we proposed at that time, and on several occasions since, was not called, and the full development of this programme, has not proceeded, due to the hostility and refusal of a small group of anti-union employers to participate.

In August, 1942, the national executive of the Union charted an emergency programme to meet the demands of the anticipated second front in Europe, and in September, 1942, the Union again made a submission to the government on the war problems of the shipping industry. Calling of a Marine War Conference, and promotion of labour-management-government cooperation, were the central proposals. The Union also proposed that the base wages on deep sea shipping be equalized with those paid on the Great Lakes as a major contribution towards solving the manning problem.

Since that time, a degree of labour-management-government co-operation has been achieved.

On the Great Lakes, representatives of the operators have met with union representatives to deal with such matters as war risk bonus, and bonus for men working late in the year. For ships operating coast-wise, the operators and the Union have discussed, with good results, such matters as wages, the size of crews, the three-watch system, a war risk bonus, and other questions.

These meetings have established more confidence and represent informal union-management production committees. They have demonstrated that, where full collective bargaining rights are recognized and accepted by the employers, sources of friction are removed, and the way opened for joint and harmonious effort.

In the spring of 1943, the imminent offensive of the United Nations places ever greater responsibility on the government, marine industry, and the seamen's representatives for closer collaboration towards meeting the urgent problems of the shipping industry.

Moreover, during the war time period, Canada has become one of the great marine powers of the world. A post-war all-Canadian merchant fleet of more than 200 ships, which will be a substantial source of employment in the post-war world and will be a real benefit to Canadian post-war commerce, was recently envisaged by Mr. Howe, Minister of Munitions and Supply, in the House of Commons.

Post-war conditions will be a major problem facing that section of our population which has enlisted in the Navy and Merchant Marine in such large numbers, and the managements of shipping companies which have improved their efficiency and ability to handle increased tonnage, the conversion of this great industry to peace-time uses will require not only skill and experience, but can only be accomplished through new forms of co-operation developing out of the wartime collaboration of labour, managements and government.

The development of such co-operation can only be made possible by the adoption of federal labour legislation to police those elements who disrupt and cause turmoil in the industry, and prevent the development of a 100 per cent organization of the seamen, and the adoption of a comprehensive national programme for the marine industry in Canada.

The seaman is the forgotten man of individual civilization. For long periods of time, he is separated from his home and family connections, and deprived of the regular comforts of existence ashore. He performs long hours of arduous

work, undergoing risks equal to those run by men of our armed forces. He works under constant nervous tension and blackout conditions, on ships armed only for defence. It is essential that steps be taken to improve his working and living conditions.

The Union looks to the conclusion of a national collective bargaining agreement, providing for a national living wage for seamen, which will require an upward revision of the wages and war risk bonus now being paid. Such an agreement, by pulling sub-normal wages in certain sections of the industry up to a national level, would equalize conditions throughout the industry, and provide national standards for all seamen, it would prevent the sporadic outbreak of strikes and disturbances, and further stabilize the industry.

Conclusion of a national agreement would make possible the development of full labour-management-government co-operation on a national basis. Committees of co-operation could be established aboard ship. Union representatives should be added to all government boards dealing with problems of the shipping industry. In addition, the Maritime Adjustment Board, which was set up under the conditions resulting from the strike of 1940, and whose function has been entirely that of interpretation of agreements, could be expanded, and its representation widened, so that it could deal with broader matters.

#### *Proposals for the Revision of Existing Wage and Labour Legislation in Canada*

The co-operation achieved between the Canadian Seamen's Union, the shipping companies, and the government, has been forged in the face of many hostilities and distrusts carried over from the period when our organization was regarded in some quarters as an illegal body and was obliged to carry on under severe handicaps; while full unity of action of all sections of the industry is prevented by a small group of employers who, for selfish reasons, persist in withholding collective bargaining rights.

In general, these same conditions apply to the operation of trade unions in most Canadian industries, due to the general hostility of leaders of industry toward trade unionism. It must be recognized, and no place is more appropriate to demand its recognition than this hearing that the Canadian government has so far failed to realize and to make possible the equal participation of labour as a partner in Canada's war effort.

The main cause of this failure lies in the inadequate and archaic structure of labour relations in Canada, which inhibits the full functioning of organized labour in the conduct of our national affairs.

#### *Collective Bargaining Guarantees*

In full participation of labour in our national affairs can only be made possible through guarantees of the rights of collective bargaining, which would enable the building of sound and active workers' organizations.

This principle is set forth in P.C. 2685, and was re-formulated by the Report of the McTague Board of Conciliation and Investigation set up following the 1940 strike of the Canadian Seamen's Union. We quote from paragraph 19 of this Report:—

The abstract rights which it is now conceded belong to labour can only be said to exist in a concrete sense if collective bargaining is practised and collective agreements are concluded. It cannot be said too clearly that labour can no longer be regarded, if it ever was correct to do so, merely as a commodity. Labour is a partner in industry, and as such it is entitled to have not only the right to organize but the corresponding right and opportunity to utilize its organization for collective negotiation and agreement with employers.

In practice, however, the policy of the Dominion Government with regard to organized labour has been a confused and contradictory one.



While recognizing in general the principles of collective bargaining, P.C. 2685, June, 1940,

"That all employees have the right to organize in trade unions, and this right shall not be denied or interfered with in any manner whatsoever and through their chosen representatives should be permitted and encouraged to negotiate with employers concerning working conditions, rates of pay or other grievances."

the recognition of this right in practice is left to the good will of the employers, and its enforcement to the economic strength of the union.

No legislative guarantees of the rights of collective bargaining are provided by federal legislation. Section 502A of the Criminal Code has, in practice, proved incapable of protecting workers against firing or other discriminatory treatment because of trade union activity. The experience of the Canadian Fishermen's Union in 1939, recounted in this brief, is ample illustration of this. P.C. 2685 is merely a declaratory statement of the rights of collective bargaining, and provides no machinery for making its principles binding on employers.

Nor are any such guarantees provided by the Industrial Disputes Investigation Act, which, on November 7, 1939, by Order in Council P.C. 3495, was extended to all war industries and defence projects. It is intended to prevent or delay strikes in essential war industries, by providing machinery for conciliation of disputes on wages and working conditions. However adequate or inadequate it may be for this purpose, in industries where unions are recognized and collective bargaining machinery in existence, the Act is ineffectual when mechanically applied to industries where the workers' organizations are new or weak, and where trade union recognition has not been achieved. In fact, in these industries, which include most of the essential war industries developed during the last three years, the application of the Industrial Disputes Investigation Act tends to prevent the amicable settlement of disputes and even to provoke strike situations.

There is, therefore, a complete absence of legislative guarantees of collective bargaining rights, which leaves employers every freedom to disregard these rights, a fact to which the history of the Canadian Seamen's Union is an eloquent witness, and a condition which is the main source of the grave and growing strife in industry.

*While we welcome the declaration of war-time labour policy, expressed by the Dominion Government in P.C. 2685, we hold it essential to industrial peace and harmony both during war time and in the post-war period that federal legislative guarantees be enacted to implement this policy; in other words, what the country needs is a well-defined federal labour code that will not only guarantee the rights of collective bargaining, but will provide the machinery for its application.*

Mr. SULLIVAN: I would like to deal with the wages which we consider sub-standard.

### *War-time Wages Policy*

Another major cause for labour-management friction, and one which is Dominion-wide in scope, is the wages policy, and the application of this policy, by the government. Basing itself on the premise that increased wages will lead to inflation, the government, by its wage control orders, has established a mandatory wage policy for all workers. The effect of this policy is that low and sub-standard wage rates have been frozen; and the provisions with regard to the cost-of-living bonus are such that enormous sections of workers, especially the unorganized, are deprived of the full cost-of-living bonus and thus have been placed in a worse position than ever before.

In our opinion, rising wage rates do not constitute an inflationary factor. Inflated prices occur when there is a scarcity of goods. The total purchasing power of the Canadian population has expanded enormously since 1939, due to increased employment, while the supply of labour and materials for the manufacture of consumer's goods has decreased, resulting in increased competition for a dwindling supply of consumer's goods. This situation can be controlled by rationing available supplies at fixed prices—a measure with which labour is in complete agreement.

The injustice of the freezing of wages at low levels can best be shown by citing prevailing wage rates for seaman.

Table I (attached) shows that wheelmen and oilers, who are in the category of skilled workers, receive on the Great Lakes monthly wages of \$133.10, including board allowance and full cost-of-living bonus. (Men under 21 years receive a cost-of-living bonus of only 17 per cent.) Calculated on an hourly basis, (12-hour day), they are paid at the rate of 37 cents an hour. If their hourly rate of pay is calculated on the basis of the actual cash they receive (exclusive of board allowance and after income tax deductions for a single man with no dependents), they are paid at the rate of approximately 20 cents an hour. Deckhands receive \$108.10 per month, or 30 cents an hour; or, exclusive of board allowance and after income tax deductions, .15½ cents an hour.

Wage rates in salt water shipping are also insufficient. According to Table II (attached), an Able seaman receives 44 cents an hour, on the basis of an eight-hour day; a Second Cook receives 31 cents an hour, on the basis of a ten-hour day; a Ship's Carpenter (a highly skilled worker, able to handle carpenter's tools, and usually with four or five years at sea), receives 38 cents an hour; a bosun also a highly skilled worker, usually with four years at sea, receives 35½ cents an hour. These are the Manning Pool wage rates. Lower rates are paid by many companies.

Moreover, it can be demonstrated that, while there has been an increase in the total purchasing power of the population, the actual wages of the working people of Canada are to-day, in the main, no higher, and in many instances, they are lower than they were before the war.

What must be borne in mind in this connection is the fact that while wages were frozen at low and unsatisfactory levels, the full cost-of-living bonus to cover the increases in the cost-of-living has not been granted universally to all sections of workers.

Moreover, taxation has increased. While labour agrees with the principle of paying for the war as we go along, it cannot but emphasize that when the increased income tax, compulsory savings, unemployment insurance, war savings certificates and victory loan payments are deducted—which are not included in the government's cost-of-living index—the actual cash left in the worker's pockets for food, shelter and the necessities of life is alarmingly insufficient. While a business man or a highly-paid worker will perhaps have to deny himself certain comforts as a result of taxations, to the workers in the lowest-income brackets, the taxation means depriving them of necessities.

For example, in the Great Lakes shipping industry, wheelmen and oilers received \$77.50 per month in 1938; when in 1943, their cash wages, including the cost-of-living bonus, after tax deductions, are \$71.20, or approximately \$6.30 less than before the war (Table III attached).

The injustice of this situation is apparent. Wages at this level demand upward revision. They are insufficient to compensate the seamen for his long hours of difficult and dangerous work, or to enable him to provide for the welfare

of his family and dependents. Freezing of wages at these levels has created hardships and has been a major factor in causing manning problems. This situation is prevalent in many industries.

We submit that this unjust, unnecessary and disturbing factor should be removed from the scene of industrial relations, and labour should be allowed to exercise its democratic right of collective bargaining for the upward revision of wage rates to a minimum of 50 cents an hour. While we agree that wage stabilization is necessary, we submit that an increase of wage rates, in both the low-paid categories and even in the somewhat higher categories, would in no wise lead to inflation if the government were to employ as it is already doing, price control measures and rationing.

Upward revision of wage rates would provide purchasing power for the vast numbers of sub-standard wage-earners to keep them and their families in a state of health and working efficiency. For those workers who are slightly above the sub-standard level, upward adjustment of wages would make possible the providing of a cushion for the post-war period through the purchase of war savings certificates and bonds, in the same manner as industry is doing at present.

*While we support the government's war time policy of price controls, and while we agree that a program of wage stabilization is necessary we believe the freezing of wages at sub-normal levels is a major source of labour unrest, and that it is essential to industrial harmony that the upward revision of wages to a national minimum of 50 cents an hour plus full cost-of-living bonus be permitted through collective bargaining processes.*

TABLE I

Hourly Rates of Wheelmen, Oilers and Deckhands in the Great Lakes Shipping Industry.

Wheelmen and Oilers		
Item	Amount	Hourly Rate (12-hour day)
Base wage .....	\$ 87.50 per month	.21½ cents
Board allowance .....	30.00	.08½
Cost-of-living bonus.....	15.60	.04½
Total .....	\$133.10	.37 cents

Deckhands		
Item	Amount	Hourly Rate (12-hour day)
Base wage .....	\$ 62.50 per month	.17½ cents
Board allowance .....	30.00	.08½
Cost-of-living bonus.....	15.60	.04½
Total .....	\$108.10	.30 cents

Hourly Rates of Wheelmen, Oilers and Deckhands in the Great Lakes Shipping Industry, exclusive of board allowance and after tax deductions for single men with no dependents.

Wheelmen and Oilers			
Item	Amount Per Month	Hours Per Month	Hourly Rate
Base wage .....	\$87.50		
Cost-of-living bonus.....	15.60		
Tax deduction—			
Total cash wages per month.....	71.20	360	.19½ cents

Deckhands			
Item	Amount Per Month	Hours Per Month	Hourly Rate
Base wage .....	\$62.50		
Cost-of-living bonus.....	15.60		
Tax deduction .....	22.40		
Total cash wages per month .....	55.70	360	.15½ cents



TABLE II  
Hourly Wage Rates of Seamen, Salt Water Shipping, 1943  
(Manning Pool)

Classification	Base Wage	Board Allowance	Cost of Living Bonus	Total Wages	Hourly Rate
Able seaman (8-hour day) ..	\$62.00	\$26.00	\$18.30	\$106.30	.44 cents
Second cook (10-hour day) .	49.50	26.00	18.30	93.80	.31 "
Ship's carpenter (10-hour day) .....	70.10	26.00	18.30	114.40	.38 "
Busun (10-hour day) .....	64.50	26.00	18.30	108.80	.36 "

TABLE III  
Cash Wages received by Three Classifications of Seamen on the Great Lakes  
in 1938 and in 1943  
Exclusive of Board Allowance

Classification	Total Wages 1943	Tax Deduction	Cash Wages 1943	Cash Wages 1938
Wheelmen and oilers .....	\$133.10	\$31.90	\$71.20	\$77.50
Deckhands .....	107.50	22.40	55.70	55.00
Firemen .....	125.60	29.05	66.55	72.50

Mr. SULLIVAN: Those tables show the wages. Our organization presented a weekly program to the government which we thought would bring about the necessary relationship that was needed to keep our boats operating in this country. We pointed out that we had a force of over 300 boats and we were rapidly expanding and building the merchant marine in this country. We pointed out just what should be done in this book—I am sorry I just have one copy and will hand it in for inclusion in the record.

## A VICTORY PROGRAM

### For Canada's Inland and Deep Sea Shipping

WARTIME EFFICIENCY IN GREAT LAKES-ST. LAWRENCE SHIPPING; ENLARGED CANADIAN MERCHANT MARINE; GOVERNMENT-LABOUR-MANAGEMENT CO-OPERATION; NEEDED TO MEET URGENCY OF CANADA'S WARTIME SHIPPING DEMANDS.

*Prepared for Presentation to the Dominion Government by the  
Canadian Seamen's Union, May, 1942*

### INTRODUCTION

The Canadian Seamen's Union is committed to the proposition that victory over Hitler and his Axis partners is the supreme task before our country. Our union firmly believes that Canada's freedom and future welfare is dependent on such a victory. We are also conscious of the fact that the war against Nazi slavery is now in its crucial stage. We share the opinion that Canada, together with all her allies, must now take the offensive against the enemy. We feel that the spirit of offensive must permeate every phase of the war effort—military, production, shipping—and our whole national life.

It is because of these convictions that our union makes this presentation to the government. We who man the cargo ships and tankers on Canada's great inland waterways, as well as on the high seas, are fully aware of the great responsibility which rests upon us, and on the whole shipping industry, in our nation's struggle for survival. It is our task to bring the raw materials to our wartime industries quickly and efficiently; it is also our job to move the finished arms, ammunition, raw materials and foodstuffs from our inland factories, mills and elevators to our seaports, then to speed their transportation over the seven seas to our allies and to the world-wide battlefronts of democracy.

We are proud of the role which our inland waterways system has played in Canada's war effort. We are also justifiably proud of the heroism of Canadian seamen who man the deep sea vessels of our country and those of our allies. But we are conscious of the fact that demands greater than ever before are being made upon Canada's maritime shipping—its facilities and its crews. It is with the desire to help our country and our government to meet these new demands in a timely and successful manner that we present this brief and the constructive proposals contained therein.

Our marine transport problem is, of course, a national one—inland and deep sea. War needs cannot be adequately met by one without the other; they are interdependent and complementary. But it is true that their tasks are somewhat different at this moment. Our brief, therefore, deals with the inland and deep sea shipping problems separately. But the proposals which we make for each will, we believe, contribute to the improvement and correlation of both so that from the head-of-the-lakes to the farthest bastions of democracy there shall flow, uninterruptedly and in ever growing volume, the sinews of war from Canada's arsenals.

Time is of the essence. We therefore urge bold and speedy action along the lines of our proposals. It is our firm belief that the adoption and implementation of these proposals will enable Canada to play an important and honourable role in overcoming the shipping crisis and help wrest victory in 1942.

Respectfully submitted,

CANADIAN SEAMEN'S UNION

Per J. A. SULLIVAN, *President*,  
J. S. CHAPMAN, *Secretary Treasurer*,  
DEWAR FERGUSON, *Vice-President*.

#### A WAR PROGRAM FOR GREAT LAKES SHIPPING IN 1942

Most Canadians are unaware of the magnitude and importance of Great Lakes Shipping. Even in peacetime, more tonnage passes through the canal at Sault Ste. Marie in the eight months' navigation season than through the Panama and Suez Canals combined in twelve months of the year.

Bordering on our Great Lakes and serviced by our ships are some of the greatest and most important manufacturing cities in Canada and the U.S.A.: Chicago, Duluth, Milwaukee, Detroit, Cleveland, Buffalo, Toledo and Rochester in the United States; Fort William, Port Arthur, Sault Ste. Marie, Windsor, Hamilton, Toronto, Kingston, Montreal, Sorel, and Quebec in Canada. These manufacturing centres produce airplanes, tanks, guns, shells and ships for our armed forces and for our allies. From these ports also comes much of the food for the United Nations. Last year, iron ore shipments alone exceeded 80 million gross tons.

Although we had 40 less Canadian ships operating on the Great Lakes in 1941, a number of them having been taken over to Great Britain and others transferred to our coastal or West Indies trade, the bulk freight traffic during the 254 day navigation season set a new record of 169,020,975 net tons, or 18.3 per cent higher than in the previous year.

The Canadian Seamen's Union is proud of this achievement. Its members, who make up the overwhelming majority of seamen on the Great Lakes vessels, have played no small role in making this achievement possible. But we know that even greater demands will be made on our inland shipping in the 1942 season.

Even in normal times of peace, railway facilities could never cope with the millions of tons of commodities carried by the Great Lakes freighters. To-day, the stepped-up tempo of wartime production is taxing the railways very heavily.

Huge quantities of raw materials, grain and finished war weapons, more than our shipping has ever before handled, will require transportation up and down our great inland waterways.

Construction of vessels for the Battle of the Atlantic will, for the duration, take precedence over the building of new ships for the inland fleet. The need for ocean-going freighters and tankers is so urgent, and the supply of shipbuilding materials so limited, that an increase in the carrying capacities of Great Lakes shipping can be effected only by instituting emergency methods for the season.

The Canadian Seamen's Union is confident that the heavy war demands on inland shipping can be successfully met this year. But the attainment of this goal will require whole-hearted co-operation, joint planning and joint executing of plans by shipping companies, marine labour unions and the government. We, on our part, are ready and anxious for such co-operation.

We propose the following emergency program for the 1942 inland navigation season:

#### 1. *Immediate Construction of a Fleet of Wooden Barges*

Our vessels could tow several hundred additional tons of freight on every trip. These barges would not require much-needed steel for their construction and they could be built practically anywhere on the lakes without tying up busy shipyards. The CSU has, in the past, opposed the employment of barges as a dangerous practice during normal times. But these are not normal times and we withdraw our objection for the duration.

#### 2. *Reduction of Shipping Time Loss During Loading and Unloading*

This can be achieved by co-operation of the companies and the unions of seamen, officers, longshoremen, grain handlers, coal handlers, canal employees, etc. We propose a conference of all these groups, where a plan to expedite the turnaround of vessels can be drawn up.

#### 3. *Employment of "Linesmen" on all Canals*

This is now the practice on the Welland Canal. A small force of such linesmen will aid very significantly in the rapid passage of ships through the canal zones.

#### 4. *Relaxation of Certain Normal Loading Standards*

The CSU will agree to such relaxation as would speed the transportation of cargo without inviting hazards. Loading above the Plimsoll mark on trips from the lakehead to Kingston or Prescott, and return, will increase carrying capacity. We are prepared to discuss this arrangement with the shipping companies as a wartime measure to be employed for the duration only.

#### 5. *Arming of Vessels Running to the East Coast*

Canadian naval authorities have repeatedly announced the presence of enemy submarines off our Atlantic seaboard. Penetration of the Gulf of St. Lawrence, in order to cut off the flow of war supplies from this country, may well be part of the raiders' plans for the summer. As a defence precaution, all vessels operating between inland ports and the east coast should be armed immediately. (Crews sailing into this zone are entitled to the payment of a war risk bonus and free insurance of their personal effects.)

#### 6. *Radio Equipment on Every Ship*

It is in the national interest that every ship be protected. Ships are virtually priceless to-day and their cargoes are invaluable to us and to our allies. The cost of radio equipment would be comparatively insignificant in relation to the protection afforded vessels, cargoes and human lives.



### 7. *Adequate Anti-Aircraft Defences For Our Vital Canal System*

This mighty artery which handles more tonnage than the Suez or Panama canals must surely figure in the tactical schemes of the Nazi raiders. A group of "suicide" bombing planes launched from an air carrier in the Gulf of St. Lawrence could do untold damage and possibly cripple the locks at Welland or the Soo. The Government should therefore take immediate steps to provide anti-aircraft posts all along the canals. These gun installations could be utilized for training of the armed forces.

### 8. *Company-Crew Co-operation Aboard Ship*

To obtain the most effective service from the crews, to conserve supplies and materials, and to attain the highest degree of ship efficiency, a policy of co-operation and mutual responsibility between the officers and crew. This can be best achieved by co-operation between the ship's captain, who represents the company, and the ship's delegate, who is democratically chosen by the union crew aboard ship. The CSU is taking the necessary steps to broaden the scope of duties of the ship's delegates. Instead of acting only as a spokesman for the crew in the settlement of grievances, the ship's delegate will henceforth be prepared to work jointly with the officers of the ship toward the maximum degree of wartime efficiency and economy. We urge the Government and the shipping companies to adopt and enforce such a policy of co-operation and joint responsibility for all Great Lakes vessels.

### 9. *Great Lakes Shipping Conference*

Representatives of all Great Lakes shipping companies, unions of officers and men, longshoremen's unions (including coal handlers and elevator employees), and officials of the Departments of Transport, Labour and Defence to meet in conference as soon as possible. This gathering to deal with the above and other proposals for the most effective utilization of inland shipping facilities. A co-ordinating body composed of representatives of the government, shipping interests, crews, terminal and canal employees, to be set up and charged with the responsibility for carrying through the adopted program.

#### CRISIS IN ALLIED SHIPPING DEMANDS ENLARGED CANADIAN MERCHANT MARINE

The full mobilization of our great inland shipping facilities to meet war requirements is essential. But in achieving this—and achieve it we must—we only solve half the crucial problem of wartime shipping.

To move forces and supplies from our shores to our embattled Allies on distant fighting fronts is the second, and perhaps the greater and more urgent, half of the task.

Mr. H. R. MacMillan, head of Canada's Wartime Merchant Shipping Lt., focused the searchlight on the shipping crisis in his speech of February 16th before the Canadian Club of Montreal. He stated:

"We cannot win the war on this continent. We must sustain the United Kingdom, and we must supply the scattered armies of the United Nations, our own, Russian, Chinese and others with an avalanche of tanks, planes, guns, shells, explosives, foods, motor vehicles and other things necessary for expeditionary forces. We are developing, on this continent, soldiers and airmen by millions, but they are useless unless moved. The real threat is that factory products may exceed the carrying capacity of the ships and vast armies and supplies be separated and immobilized."

Such a catastrophe must never occur!

That this is no alarmist picture of the shipping crisis was proven by the tragic experiences in Hong Kong. There, our Canadian forces were denied the necessary equipment which was available but which we failed to deliver because of shipping shortage.

In Singapore, Libya and Java too, our defeats were due largely to the failure in shipping. This was admitted by Winston Churchill in his radio address of February 15th when he said:

"The Mediterranean is closed and all our transports have to go 'round the Cape of Good Hope, each ship making only three voyages a year."

The recent Nazi submarine attacks on our ships in American coastal waters, the shelling of oil plants in American zones and the escape of the enemy warships from Brest are ominous signs of what lies ahead in our battle to maintain the life-lines between ourselves and our allies.

The shipping situation is critical. This fact we must face. We must be filled with a feeling of urgency that will be translated into speedy and heroic action. Canada can, and therefore must, make a major contribution toward the solution of this all-important problem. We cannot be content with training men and producing armaments, leaving to our allies the task of transporting the men and supplies from our shores. We must assume the obligation to transport men and materials to all fighting fronts—our fighting fronts.

To do this we need Canadian ships and trained, efficient, inspired Canadian crews. We can have both. What is required is a positive government policy for the creation of a Canadian Merchant Marine in proportion to our country's industrial and military importance in the anti-Axis front. A distinct Canadian Merchant Marine will enable our country to play its full role in conquering the shipping problem. It will be a major contribution toward victory and will prove of enormous benefit to Canada's future economic interest.

How can this be accomplished?

### *We are Producing the Ships*

The government has, after long delay, undertaken a large scale shipbuilding program in Canada. The head of the Wartime Merchant Shipping Ltd., Mr. H. R. MacMillan, recently declared that the Canadian government had contracted for 172 merchant ships, 18 being of 4,600 tons and the balance of 10,000 tons. This program can be stepped up. The bottlenecks in our shipbuilding industry must be eliminated so that work will proceed at a feverish pace to produce the ships under contract. Signs of improvement are now beginning to appear. And we can safely assume that Canada will, from now on, provide an increasing number of merchant ships. This is a very positive achievement and to the credit of our country.

But after we have taken a decisive step forward we hesitate to take the second step which common sense and the war needs dictate. Government policy apparently is to turn almost all the Canadian-built ships over to British and other shipping interests. The already grave manning problem of the British and allied shipping fleets is thus further aggravated. Moreover, British wage and other marine regulations are applied to the few ships which are kept under our own registry.

This policy does not help solve the manning problems of our allies. It does not, as we shall prove, encourage large numbers of Canadians either to sail the few ships under Canadian registry or to join the crews of British and allied vessels.

The Canadian Seamen's Union wishes to make it very clear that it does not object to the transfer of Canadian-built cargo vessels to British or allied shipping interests. **But it does maintain that our full contribution can be made only when at least one third of our newly-built ships will be placed under**

**Canadian registry as units of a distinct Canadian Merchant Marine, governed by Canadian rules and regulations and operated under Canadian standards.**

Such a policy will help our allies to replace their serious ship losses and, at the same time, ease their manning burden inasmuch as we will assume full responsibility for providing our own Canadian Merchant Marine crews.

Let us now examine the acute manning problem to see how we can provide Canadian crews for our own fleet and thus help relieve the strain on our allies.

#### REASONS FOR THE MANNING CRISIS IN CANADA'S DEEP SEA SHIPPING

##### 1. *The Crisis Becomes Apparent*

Before the war, Canada had no merchant navy to speak of. We therefore had no appreciable number of trained sea-going crews. Most deep sea shipping to and from our shores was operated by British and other shipping interests.

Our coast-wise shipping, too, was of a very restricted nature. With the exception of the government-owned Canadian National Steamships which operated between our Atlantic ports and the West Indies, there were but a few ships in service, mainly for oil, coal and similar companies, in our coastal waters. The crews on these ships were small. A considerable percentage of them were recruited in the West Indies and from other nationalities. It is thus obvious that our country had no great reserve of experienced and working seamen when the war broke out. The only large body of Canadian seamen was to be found on our inland waterways. The majority of these were adequately skilled and able to man deep sea vessels.

But since the outbreak of war our Great Lakes shipping requirements have grown both in volume and importance. In the same period about 40 inland vessels were withdrawn for coast-wise and deep sea service.

Enlistment in the armed forces, the increased opportunities for employment in munitions and other industries, have removed a very large number of inland and deep sea sailors from our ships. More than two-thirds of our pre-war membership joined the armed services or entered into industry ashore.

During the past two years, the shipping industry and the Canadian Seamen's Union were successful in obtaining the crews to keep our inland and coast-wise ships fully manned. But the great losses suffered by allied shipping and the expanded shipbuilding programs have sharply accentuated the manning problem for each of the United Nations. In addition, men are required on ships of those allied nations whose lands have been overrun by Hitler and from which replacements cannot be obtained.

It became obvious that Canada had to assume some responsibility for the solution of this common problem. To those acquainted with the Canadian shipping industry it was evident that despite the limited pre-war development much could be done to provide crews for seagoing vessels. From the ranks of present and former Great Lakes seamen, from the great reserve of Canadian fisherfolk and from the numbers of patriotic young Canadians who are inclined toward seamanship, thousands of recruits could be gathered to man deep sea ships—providing, of course, that this task were undertaken in a Canadian way.

##### 2. *Present Methods Will Not Cope With Situation*

Aware of the growing seriousness of our maritime shipping problem, the government has taken a number of steps to deal with it. A Canadian Merchant Marine Manning Pool has been established and a recruiting drive started; a couple of schools in seamanship have been opened. Praiseworthy as these initial steps are, we must emphatically state that they are insufficient and bound to be ineffective. They are halfway measures intended to harmonize with a basically wrong and un-Canadian maritime shipping policy. Let us examine a few of these measures.



A. To centralize the available manpower, the government established the Canadian Merchant Marine Manning Pool. But Canadian seamen will not join the pool in any impressive number. When our union advised sailors to enter the pool, we were inundated with protests from men who refuse to join under present conditions. Why is there such fierce objection? Because by signing up they surrender their freedom to choose ships, yet are without any union representation on the pool, and thus unable to present in collective fashion proposals or requests affecting their employment, their safety and their working conditions.

Men joining the pool find themselves placed on ships of other nationalities where they are paid an un-Canadian standard of wages and where the food and other conditions are unsuitable. Canadian seamen are often assigned to ships that pay off in England. There the men must join the National Union of Seamen (British) and have to ship on round-trip articles or sign on for voyages to other parts of the world, which means that they cannot pay off in Canada if they do reach a Canadian port. Thus they lose all contact with their own country. These experiences may not be too numerous, but they have a demoralizing effect on Canadian seamen and their families.

B. The government's wage policy for Canadian seamen deserves special attention. Men signing into the pool are sent aboard ships of various nationalities where the wages are not in accord with a Canadian standard of living. The base rates are mainly pegged to the rates prevailing on British ships. These are much lower than the wages prevailing on American, Norwegian and other merchant fleets. The following comparison reveals the tremendous wage disparity:

Rating	British Merchant Marine	Panamanian Merchant Marine	U.S. Merchant Marine
Able Seaman .....	\$ 47 07	\$ 90 00	\$100 00
Ordinary Seaman .....	32 67	72 50	82 50
Boatswain .....	65 30	102 50	112 50
Carpenter .....	78 63	102 50	112 50
Quartermaster .....	49 28		105 00
Oiler (4 on, 8 off) .....		100 00	110 00
Oiler (6 on, 6 off) .....	53 71		
Watertender .....	51 50		110 00
Fireman .....	51 50	92 50	102 50
Storekeeper .....	53 71		110 00
Wiper (U.S.A.) .....		77 50	87 50
Trimmer (Can.) .....	47 07		
Chief Steward .....	106 87	137 50	147 50
Cook .....	89 15	122 50	132 50

(The war bonus is also higher on U.S., Norwegian and Panamanian ships.)

Furthermore, the basic British Merchant Marine wages are far below the prevailing rates on Canadian Great Lakes ships. (The latter are, of course, far below U.S. Great Lakes levels.) The following table will illustrate this point:—

	British Merchant Marine	Canadian Great Lakes
Able Seaman .....	\$ 47 07	\$100 00
Ordinary Seaman .....	32 67	75 50
Oiler .....	51 50	100 00
Watertender .....	51 50	100 00
Fireman .....	51 50	93 00
Chief Steward .....	106 87	{ 135 00 145 00

To illustrate more vividly the inadequacy of the present rate of pay, let us consider an ordinary seaman. His wages are \$32.67 per month. He receives, in addition, differential pay and war bonus of 35 per cent. After clothing himself and deducting for tobacco and spending money, he would have very little or nothing left for any family responsibilities, let alone being able to save enough for a trip home from the coast once or twice a year. A man is considerably better off in the army or navy, yet the risks and hardships of war are just as great (in fact they are constant, and so far in this war, they have been much greater) in the merchant marine.

C. To meet the growing demand for seamen, the Government launched a recruiting drive and appointed special agents for this campaign. Though the offices of the Canadian Seamen's Union have been thrown open to the officials in charge of recruiting, and though the officers of our union are rendering active assistance, we find hesitation and distrust on the part of experienced and prospective seamen. There is a reluctance to sign up. This, in our opinion, is due mainly to the total absence of machinery to represent and protect the interests of the sailors and the lack of clearcut provision for the well-being of Canadian merchant seamen and their families.

With all due respect to the men and organizations engaged in signing up seamen, we believe that our union is the logical agency for mass recruiting. The Canadian Seamen's Union enjoys confidence of seamen, fishermen, and other folk traditionally linked with sailing. Our officers have received a flood of inquiring letters from sailors and prospective seamen living in small towns who are willing to join the pool or the training courses. But these men want more precise information as to wages, conditions and representation. In fact many of the correspondents seek the approval and guarantee of the union before actually signing up. We were, of course, unable to give such assurances and as a result the actual recruitment was only a fraction of the potential number.

We are confident that in the adoption of a democratic labour policy in our merchant navy (i.e., labour representation, collective bargaining, joint government-labour-management responsibility, fair wage scale, etc.) our union, guided by government information as to requirements, could solve the manning problem and create the necessary interest, co-operation and enterprise among the crews that will ensure the uninterrupted and most efficient flow of shipping.

D. In another effort by the government to provide trained crews, two schools were opened at Halifax and Kingston. This is a step in the right direction, but it must be rapidly expanded to provide training facilities for thousands of seamen. Such schools should be opened on the Atlantic coast, near fishing communities, and in the Upper Lakes region. They should not be restricted to training of seamen for the deep sea merchant marine. The same establishments could be of assistance in manning the Great Lakes fleet.

It is not our desire to build up a case against the government. We are neither unmindful nor unappreciative of the great achievements which stand to the record of the government's war effort. But we do believe—and our intimate knowledge of maritime shipping should lend considerable weight to our belief—that the government's policy in the shipping field is inadequate and, therefore, indefensible. The measures taken as a result of this half-way policy must inevitably fall short of our urgent war requirements.

We are getting the ships. We have the men who are ready and anxious to serve our country in the face of great dangers. We need only a clear-cut Canadian policy, Canadian standards and a democratic, Canadian collective bargaining arrangement to achieve the maximum Canadian contribution.

## PROPOSALS FOR A CANADIAN WARTIME SHIPPING PROGRAM

I. That the government adopt as its fixed policy the extension of the Canadian Merchant Marine and assume full responsibility for the manning of these ships. That one third of all merchant ships now under construction in Canada be acquired for the Canadian Merchant Marine (the remaining two-thirds to be turned over to Britain and our other allies to replace tonnage lost in the war).

II. That the government set up a Canadian Maritime Commission to be composed of an equal number of representatives of government, management, and the unions of officers and crews—each of the three groups to choose their own representatives.

III. This Commission of government, management and labour to be charged with:

- (a) Recruiting and training of the necessary personnel for all maritime shipping requirements.
- (b) Devising ways and means, and enforcing same, for the most efficient and rapid handling of cargoes.
- (c) Standardizing the working and living conditions of seamen aboard our ships and improving such conditions to protect the health and lives of our crews, raise the morale of the men and thus ensure the maximum of service.
- (d) Supervising and regulating the Canadian Merchant Marine Manning Pool in a manner that will meet the needs of Canadian sailors and expedite our shipping.

*(Government-shipowner-union co-operation of this type has long been an accepted practice in other democratic countries. Recently the Australian government established a Maritime Industrial Commission, composed of four representatives each from the shipowning interests and from the trade unions, with extraordinarily wide powers. What time more opportune or more pressing for a similar development in this country?)*

IV. Under the supervision of the Canadian Maritime Commission, the present plans for the training of merchant seamen should immediately be revised upwards to meet the urgent requirements of the Canadian Merchant Marine and inland shipping for 1942. At least ten schools should be established throughout the coastal and inland ports to train a minimum of 500 men during each of the 6 to 8 week terms. The rates of pay for married trainees should be in accordance with the official cost of living figures.

In addition to the training of new men for the industry, special provision should be made to enable experienced men to take courses for their certificates as officers.

V. The basic rates for the crews on the Canadian Merchant Marine should be the present prevailing rates on Canadian Great Lakes shipping, plus an adequate war risk bonus.

VI. The principle of collective bargaining should be applied in all branches of maritime shipping and made the settled policy of the Canadian Maritime Commission, as is the case in Britain, U.S., Australia, and in every other merchant navy outside of the Axis countries.

*(The International Labour Office of the League of Nations, reporting on the organization of the Merchant Navy reserve pool of Britain, states: "In all matters concerning the duties to which members of the pool may be appointed, the instructions issued to members of the pool as to the place, time, etc. at which they are to report, the appointment of an officer or man to a ship, and the discharge of an officer or man from the pool, the Shipping Federation can act ONLY with the approval of the officers' and men's organizations concerned.")*



It is our hope that the above proposals will receive the approval of the government and the shipping interests. We are conscious of the emergency situation which now prevails and are guided by the resolution that winning the war must be the principal consideration of all.

These proposals constitute, in our opinion, a plan for maximum achievement on the shipping front. It is a plan that will result in the attainment of unity of purpose and action of all parties concerned in maritime shipping. It is a democratic and sound approach to a national problem of first-rate importance.

If adopted and put into operation, this program will prove our contention that democracy can work better than Fascist dictatorship. It will place not only duties but responsibilities on the men who man our life-lines on the seven seas.

The Canadian Seamen's Union can be counted upon to co-operate with the government and with management to sweep away all obstacles and keep our ships sailing and serving wherever and whenever necessary. This is our goal. Toward this goal we shall direct our energies and resources.

I would like the Board to examine that document. The government agreed to some of it, and did the necessary arming this year of some of the lake vessels that sail in the gulf. That was done this April. We had lost several boats. We pointed out that if we are to maintain the bridge of ships which is necessary there must be provision for decent wages for the seamen. Few people know that we have men running across the Atlantic working for 16½ cents an hour base wage, men who have been torpedoed three and four times, and have gone back for more. The man I am talking about is a second cook. He receives a wage of \$49.50 and works ten hours a day. It comes to a little less than 16½ cents an hour.

Mr. LALANDE: Does he not get a war bonus?

Mr. SULLIVAN: I am coming to that. He is charged for his board \$26 a month.

Mr. COHEN: What do you mean by "charged"?

Mr. SULLIVAN: It is added to his wages.

Mr. COHEN: For income tax purposes?

Mr. SULLIVAN: Just a month ago they took that off.

The CHAIRMAN: You mean he got his board and it is placed at that value?

Mr. SULLIVAN: Yes, \$26. If he is over twenty-one years of age he receives \$18.30 and \$18.44; if he is under twenty-one they bring it down to \$6.80 a month. In an industry which is mainly composed of people under eighteen years, you can see what that means. When we asked about it, we got an answer from the Director of Merchant Seamen in this country, that if these boys got too much to spend when they get ashore they would go on a drunk. I maintain they should get their full pay.

Mr. LALANDE: Are not these rates set by the British Ministry of War Transport?

Mr. SULLIVAN: Prior to the war we only had a few boats in this country.

Mr. LALANDE: You are dealing with the transatlantic?

Mr. SULLIVAN: Yes. Why should we base our wages on what was paid to these men?

Mr. COHEN: Who based it?

Mr. SULLIVAN: The transport committee has the right to base it.

Mr. LALANDE: You are dealing with the seamen employed on Canadian ships?

Mr. SULLIVAN: Yes, Canadian registered flags.

Mr. COHEN: You did not finish with the second cook.

Mr. SULLIVAN: He gets 31 cents an hour if he is over twenty-one.

Mr. COHEN: That is a 70-hour week? You divide by that?

Mr. SULLIVAN: Yes, and a thirty-day month.

Mr. COHEN: I just wanted to get the figures.

Mr. SULLIVAN: Yes, we break them down. Then there is the carpenter with 36 cents an hour; he must have at least four years' seamanship. The able seaman is in the better category. There are more of them and we have been able to take a little more action. He receives 44 cents an hour.

Mr. COHEN: But he only enjoys that for eight hours, according to the table?

Mr. SULLIVAN: Yes.

Mr. LALANDE: I suppose he only works eight hours?

Mr. SULLIVAN: He works eight hours but is on duty liable to call any time in the twenty-four hours. I would like to bring out the fact that these are the wages paid in the Canadian pool. When the seaman goes aboard he gets a cut in wages of \$10 a month. He gets less for going to sea than he gets for staying ashore.

Mr. COHEN: Make that clear.

Mr. SULLIVAN: The Canadian pools are operated by the Canadian government to collect seamen needed in the ships. An AB in the manning pool receives \$62 a month, and when he goes aboard the boat his wages are cut to \$56. The second cook gets \$49.50 in the manning pool and \$39 when he goes aboard a boat.

Mr. LALANDE: Instead of \$49 you say?

Mr. SULLIVAN: Yes. We have put in an application to the National War Labour Board to get this manning pool rate applied to the sea. The reason why this was reported is that we have 30,000 odd seamen registered in this country in our national selective service, and I doubt very much if we could get sufficient seamen in Canada to-day to operate forty per cent of those boats, because the boys went across to the United States and shipped out on their boats because the war risk bonus is three times what ours is. We have at the present time the greatest difficulty in getting crews, contrary to the newspaper statements and everything else.

Mr. COHEN: I notice in table I that a wheelsman is only getting 37 cents an hour?

Mr. SULLIVAN: Yes, I was coming back to that. That is the great Lakes situation. This other is dealing exclusively with the men who are going across the Atlantic in the war zones, and taking the boats to India, Marmansk and any other place they are sent. If you happen to get on a 4,000 ton vessel you take a further cut in wages. I do not know whether that is because a submarine commander will find it harder to hit a 4,000 ton boat than a 10,000 ton. I do not see what the idea is. But that is another old English custom. If we are going to have a large navy it is time we started some of our own customs. I hope to go into more detail on that when I come here with the main case. Wheelsmen and oilers are the most experienced men, and their wage is 37 cents an hour, including base wage, board allowance and cost-of-living bonus. They work 360 hours a month, from 6 to 12 in the morning and the same at night. They do that continuously until the lakes freeze up. Deck hands receive 30 cents an hour, including board allowance. In the second table it is shown that after taxes are taken off it is 19 $\frac{2}{3}$  cents.

Mr. COHEN: A wheelsman with a payment of \$87.50 a month is taxed \$31.90?

Mr. SULLIVAN: The wheelmen on the Great Lakes are taxed for \$30 a month for their board, and they are taxed \$30 a month.

Mr. COHEN: Is there any attention given to the fact that these are seasonal wages?

Mr. SULLIVAN: Not so far.

Mr. COHEN: They take it off if the workers work 12 months a year?

Mr. SULLIVAN: Yes.

Mr. COHEN: I suppose then if he fills out the necessary forms he gets a rebate?

Mr. SULLIVAN: Yes, but most of them do not bother with it, they prefer to quit.

Mr. COHEN: Does that apply in other industries, such as logging?

Mr. SULLIVAN: Yes, the same thing. You will see in Table 3 that the wheelmen and oilers are getting \$6.30 less in actual cash in 1943 than they were in 1938.

Mr. LALANDE: Taxes have gone up?

Mr. FERGUSON: Yes. But the cost of living has gone up eighteen points and he actually gets \$6.30 less in cash.

Mr. SULLIVAN: The deck hand only loses 70 cents a month on 1938 wages. These in our opinion are two points that will have to be cleared up, because four weeks ago we had one stoppage of four vital cargoes. We were told by a representative of the National War Labour Board, not one of the members, that the matter would be cleared up. Some of the crews are back and the matter has not been settled and they are refusing to go back again.

Mr. LALANDE: These are foreign going crews?

Mr. SULLIVAN: Yes. Yesterday Mr. Ferguson and Mr. Davies went down to one of the boats, and told them we would give it out of our own pockets if they would take these boats out. It is impossible for us to keep on going like this. How can you expect a man to take less wages for going to sea than he gets when staying on land, in the Place Viger hotel in Montreal?

The CHAIRMAN: Have you not something on now?

Mr. SULLIVAN: Not with the Board.

The CHAIRMAN: I do not mean with the Board.

Mr. SULLIVAN: We tried to put in an application four weeks ago.

Mr. COHEN: I take it you mean with the company representative?

Mr. SULLIVAN: On the Great Lakes we have, but not for salt water.

The CHAIRMAN: I had the impression that you had something on.

Mr. SULLIVAN: I will tell you what happened there.

The CHAIRMAN: Is that an application that you have?

Mr. SULLIVAN: Yes, that is before the officers of the board. When I applied, Mr. Teagle, who was president of the Parke Steamship Company said they could not do anything. He is also manager for the port for the Canadian National Steamships, and we got the same answer—cannot do anything. We hope to find out through this application to the Board how we can deal with this other company.

The CHAIRMAN: I should like to get that as clearly as I can. I thought that some other union had made some application and that then you came into the picture later on—the Inland Boatmen's Union, wasn't it?



Mr. SULLIVAN: That would be the Inland Boatmen's Union of the Pacific and West Coast. I do not know anything about it, but it would surprise me if they did.

Mr. COHEN: The suggestion the Chairman makes is that they made an application respecting the Parke Steamships, and some time later it appeared from papers in the proceedings that the Canadian Seamen's Union are now representing the employees on these vessels.

Mr. SULLIVAN: These are the vessels that are operating on the east coast, deep sea on the east coast; they are organized eighty-five to ninety-five per cent Seamen's Union. I doubt very much if the Inland Boatmen have done so, but I would like to know, because they have been corresponding with me and asking me to fight jointly on the taxes.

Mr. COHEN: Your union is in negotiation with the Parke Company?

Mr. SULLIVAN: If negotiation means putting in an application four weeks ago. We cannot get near the company.

Mr. FERGUSON: A draft has been submitted, but we are trying to get this other matter cleared up first. Perhaps Mr. Sullivan does not know about the draft.

Mr. COHEN: Which other matter?

Mr. FERGUSON: The matter of these wages.

Mr. SULLIVAN: The wages between shore and deep sea sailing. It has got so the boys refuse to sign on.

The CHAIRMAN: I am quite aware of that. I know what the situation is. The last information given to me in connection with the matter is that the Canadian Seamen's Union—I think Mr. Sullivan's name was mentioned in connection with it—was in touch with the company or the authorities by reason of a joint application. That was the understanding I had, and that was the reason I asked the question.

Mr. SULLIVAN: It was a month ago that they told me that the manager of the company was sending in an application. Whether the application has gone in or not, I do not know, and I cannot find out. Mr. Ferguson says negotiations have gone on. I think we differ on what we call negotiations. There was some grievance about inferior food, and the local committee worked on it and got that squared away but there have been no negotiations as yet.

Our conclusions follow:—

### *Conclusions:*

The expressed recognition of the principles of collective bargaining, and the practical prohibition of strike action, coupled with the freezing of wages, has placed the Dominion Government in a contradictory position with regard to its labour policy.

We have a situation now where the National War Labour Board has been re-established to deal with matters connected with wages and cost-of-living bonus, while other labour matters still come under the Industrial Disputes Investigation Act and are referred to the Department of Labour. It is difficult for these two bodies to administer labour policy along consistent principles, particularly so because the question of union recognition, wage increases, and matters concerning working conditions are closely interwoven. This places labour at a disadvantage in that it does not know to which of the two authorities it should refer, nor what treatment it may expect from them.

It is apparent that these conflicting tendencies in governmental labour policy are a source of industrial unrest.

It is the desire of organized labour that explicit guarantees of the rights of collective bargaining be provided, by legislation similar to the Wagner Act in the United States, enabling labour to exercise its democratic right of collective bargaining to adjust wages upward to a satisfactory minimum, and thus remove the most fertile source of labour unrest, and permit harmony between labour and management for uninterrupted production and successful prosecution of the war effort. A co-ordinated federal authority should be established for the administration of a labour code embodying such a wage and labour policy.

The seven-year struggle of the Canadian Seamen's Union could have been telescoped into as many weeks, had there existed a clearly defined federal labour code, definitely outlawing company unions, and guaranteeing to bona fide trade unions the right to freely function and to be recognized as the collective bargaining agencies of employees who democratically join and choose them to represent them.

The important role played by the Canadian Seamen's Union in strengthening the shipping industry could be immeasurably heightened, and duplicated a thousand times in every other Canadian industry, were such a labour code enacted.

We have already indicated that the archaic system of labour legislation and relations existing in Canada only serves to perpetuate hostilities and distrusts, and to place needless obstacles in the path of harmonious labour relations.

Enactment of a federal labour code, guaranteeing the rights of collective bargaining, will sweep aside these traces of hostility and be a powerful impetus towards the improvement of relations between labour, industry and government.

For these reasons, we wholeheartedly support the submission of the Trades and Labour Congress of Canada to the National War Labour Board with respect to the question of wages, labour consultation, and the recognition and enforcement of the right of collective bargaining.

In conclusion, we wish to compliment the National War Labour Board on the progressive step it has taken in holding this inquiry, and we hope that our submission, based on our own experiences, may contribute to the clarification of the problems before it, and make possible the development of a federal labour policy capable of bringing about constructive labour relations in Canada for the winning of the war and the harmonious adjustment of post-war problems.

Respectfully submitted,

CANADIAN SEAMEN'S UNION

J. A. SULLIVAN, *President*

D. FERGUSON, *Secretary-Treasurer.*

Mr. SULLIVAN: There are several exhibits at the end which we would like to have go into the record.

#### EXHIBIT A

June 20, 1938.

#### MARINE WORKERS' PROTECTIVE LEAGUE OF CANADA

An independent organization built from the rank and file seamen of Canada.

For the purpose of safeguarding your interests, building a union of Canadians for Canadians and financed by Canadians taking orders from no political party, sect or creed.

#### *Our Policy*

1. To organize Canadian seamen into a democratic organization controlled by them alone that will fight all outside and foreign intervention.

2. To smash such unions as now exist for the sole purpose of collecting dues so that their leaders may live in luxury while you walk the beach in poverty.

3. To create a feeling of good will between the ship owners and the seamen, and the seamen and shipowners.

4. To educate the seamen in the way of acquiring better conditions and wages without the intervention of foreign paid agitators.

5. To create a fund for benefits for seamen who are unemployed, sick, injured or killed or lost at sea.

6. To create in the minds of the shipowners, the public and the Canadian government that the Canadian seamen have the ability to manage and direct an organization solely on their own, and to create confidence, now lacking, between the owners and the men, and that the Canadian seamen can fight their own battles, in such a way as to hurt no one, cause no disorder and at the same time gain their goal.

7. Only bona fide seamen with one year's previous service eligible for membership.

This organization recognizes no other union, political party, society, etc., as its superior; dominance by any faction or section will not be tolerated.

Each member to have an equal voice in all matters concerning its welfare. All matters to be discussed and voted upon in a democratic manner.

The main object of the M. W. P. L. of Canada will be to bring back to the minds of the shipowners that confidence that has been lost, that the Canadian seamen can be trusted to back up their promises, protect the interests of their employers against all outside and subversive interests. Every member can help to do this by sticking by this organization and obeying without question all its rules.

## EXHIBIT B

### AFFIDAVIT

I, John M. Osborne, seaman, of the city of Montreal, there residing at 999 St. Lawrence Boulevard, being duly sworn do hereby depose and say:

1. That on the 19th of June, 1938, I was approached by one Frank Valiquette, formerly employed as an organizer of the Canadian Brotherhood of Ship's employees, who stated that he wanted me to form an organization in opposition to the Canadian Seamen's Union.

2. That on the said occasion the said Frank Valiquette did state that he was no longer employed by the said Brotherhood, which was headed by Captain H. N. McMaster.

3. That on June 21, 1938, I acceded to the further request of the said Frank Valiquette to visit some people with him, and that thereupon the said Frank Valiquette took me to the office of J. A. Mathewson, K.C.

4. That on my arrival at the said office there were present Mr. J. A. Mathewson, Captain H. N. McMaster, and Mr. Wilson, K.C.

5. That the aforementioned parties did then, upon the threat of blackballing me with all the shipping companies, demand that I head a new organization to be known as "The Marine Workers' Protective League of Canada."

6. That the aforementioned parties did state that the object of this organization was to disrupt the Canadian Seamen's Union.

7. That the said Mr. J. A. Mathewson, K.C., on that occasion did state that I and the other organizers of the said proposed League would be well paid; that if I accepted the position as general organizer, that he would personally guarantee that I receive \$22.50 per week, and that any other delegates employed



by me would receive \$10.00 per week, and that the whole of the said payroll would be received each week at Mr. Mathewson's office, together with any miscellaneous expenses.

8. That in view of the said threats I consented to become general organizer of the said League.

9. That on the said day, namely, June 21, 1938, a meeting was held at which were appointed the following provincial committee: J. M. Osborne, General Organizer; Charles Wolfe, Chairman; Joseph Leroy, Recording Secretary; Patrick Dillon, Publicity Manager; J. Collins, Secretary-Treasurer.

10. That at the said meeting the following resolutions were passed, to wit:

1. That two leaflets, attacking J. A. Sullivan, which were read to the meeting, be distributed in conspicuous places.

2. That organizers should board vessels at Cote St. Paul before C.S.U. delegates could get aboard.

11. That on June 25, 1938, I received at the office of Mr. Mathewson, K.C., the sum of \$18 as part wages in my capacity as General Organizer of the aforementioned League.

12. That on June 24, 1938, I received from the office of Mr. J. A. Mathewson, a package containing 500 membership cards of the Marine Workers' Protective League, and also 1,000 of the aforementioned leaflets attacking the character of the said J. A. Sullivan, and also a suit of clothes and accessories for H. Taylor, who was to be employed to distribute the said leaflets.

13. That on July 2nd, 1938, I presented myself at the office of Mr. J. A. Mathewson, K.C., to obtain money to cover the payroll of the organizers of the said League for the previous week.

14. That on the said occasion the said Mr. Mathewson was absent but his partner Mr. Wilson, K.C., did state that he could only allow me the sum of \$12 as the said League had not collected the money that was expected, and that I should call at the office of Captain H. N. McMaster, who might possibly pay more to me.

15. That pursuant to the advice of the said Mr. Wilson, I went to the office of the said H. N. McMaster on the said same day, but the said Captain H. N. McMaster did refer me back to Mr. Wilson for any further moneys and did state that if I continued my activities against the Canadian Seamen's Union, that he had an important position waiting for me as secretary of the Montreal Council of the Canadian Federation of Labour at a possible salary of \$5,800 per year, plus expenses.

And I have signed at Montreal, this second day of July, 1938.

J. M. OSBORNE.

Sworn to before me at Montreal, this 2nd day of July, 1938. Max Garmaise,  
N.P. Notary Public for the Province of Quebec.

#### EXHIBIT C:—

For the sake of a few dollars, Nova Scotia Seamen are brought to Montreal and left to starve while the McMaster family thrives on the money that is mulcted from these seamen who have been on relief. They borrow this money from friends because they are given to understand that if they join the National Seamen's Association they will get jobs and will finally get off the beach.

At the present time, it is deplorable to see what is going on at "Lousy Acre" which is situated between Lock 1 and Lock 2 on the Lachine Canal. Out

there from 60 to 75 downeasters are sleeping in the fields and trying to beg meals aboard boats because of the downright dirty rottenness of Captain H. N. McMaster and Joe Harding, who is located in Halifax; for the sake of the \$7 initiation fee they will assure men that there is work aboard Great Lakes vessels which are supposedly operating under agreements with the N.S.A.

McMaster's group have agreements with no more than two companies and cannot put anyone to work. He is bringing these men to the Great Lakes through pure fraud—and nothing else.

Seeing these men on the beach, and realizing that I was directly responsible for bringing some of them out here to Montreal, has brought me to realize that something must be done in order to protect the rest of the seamen on the East Coast from the malicious propaganda that is being carried on so that they might be exploited for the sake of a few paltry dollars that go to support the McMaster family.

It is with this idea in mind that I have appealed to the President of the Canadian Seamen's Union to put this message in the current issue of the *Searchlight*. I realize that if something is not done more of our working-class brothers will be brought from Halifax and St. John's and they will end up either in Bordeaux or some of the other jails in the province of Quebec under vagrancy charges after they arrive in Montreal fully expecting that as paid-up members in the National Seamen's Association they will be put to work immediately.

My story to the *Searchlight* will show the reasons why our East Coast brothers should remain in their own particular locality until there are vacancies for them. I am fully convinced that such jobs can be secured through the C.S.U. alone—as it is the only bona fide organization on the Great Lakes and holds agreements with 95 per cent of the lake shipping.

(Signed) K. A. KNICKLE,

The *Searchlight*, July, 1939.

Official organ of the Canadian  
Seamen's Union.

#### EXHIBIT D:

From: National Union of Seamen, North American Agency, Room 328,  
6 State Street, New York City,

January 6, 1943.

To: Mr. E. Johansen,  
Norwegian Seamen's Union,  
156 Montague St.,  
Brooklyn, N.Y.

Dear Mr. Johansen:

Edward Carroll, A.B.  
Gerald Spafford, O.S.  
Paul Gosselin, A.B.  
Earl Malcolm Briggs, Sailor.  
Louis P. Gauthier, Seaman.  
M. J. Paddock, A.B.

The above-named seamen arrived at my office seeking advice.

They were sent from Canada by McMasters of Montreal who runs an organization known as the National Maritime Federation.

He collects a union entrance fee of \$10 from each man and \$1 per month while on a ship. Further he collects a fee of \$10 more from the Shipping Company for whom he recruits (this you can confirm by finding out from Notraship what they paid) labour.

These men were engaged in Canada on the ratings stated above but found themselves faced with signing on as messmen on different ships.

McMaster enjoys a very unsavory reputation in British circles and no one is allowed to engage through him, in fact I understood that a gentlemen's agreement existed whereby no Allied authority would use him.

There is evidence to support the fact that he has tried to suborn British Seamen in our Pool in Canada and then sell them back to us.

Trusting you will investigate these circumstances.

Yours sincerely,

(Signed) GEORGE THOMPSON,  
Organizing Secretary,  
for U.S.A. and Canada.

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Copy

*National Union of Seamen*

Room 328,  
6 State Street,  
New York City.

February 23, 1943.

Mr. P. Sullivan, President,  
Canadian Seamen's Union,  
6 Wellington St.,  
Toronto, Ontario, Canada.

Dear Mr. Sullivan:

I have to thank you for your letters containing information regarding Mr. H. N. McMasters. It would be impossible for any seamen's organization in this hemisphere not to run into hardships created by this man's wrongful treatment of seamen of all nationalities.

I have championed many of his victims and recently supplied the Director of Merchant Seamen for Canada with complete details of some of his most recent activities. I am hopeful that these statements may help to end his career. He states on his notepaper that he is affiliated with the British National Union of Seamen. I hereby categorically deny that any such affiliation ever existed and certainly does not do so at this time.

I am always happy to be of service to Canadian Seamen in difficulties and shall always be so.

Yours fraternally,

(Signed) GEORGE THOMPSON,  
Organizing Secretary,  
for U.S.A. and Canada.



Copy

Campbell, Weldon, Kerry and Rinfret,  
Advocates and Solicitors.

Canada Life Building,  
275 St. James St. W.,  
Montreal,  
March 1, 1943.

Mrs. Dorise Nielsen, M.P.,  
House of Commons,  
Ottawa, Ontario.

Dear Mrs. Nielsen:

I was consulted recently by some young merchant seamen, whose story appears to be well authenticated. It reveals a situation which I think might very well call for some questions in the House.

On December 29, in answer to an advertisement for seamen to sail from American ports, 31 men of various ages reported at Room 33, 484 McGill Street, Montreal. This address is that of an organization calling itself the National Seamen's Association of Canada. The men who saw me reported that they sought work as deckhands and were called on to sign a document which was entirely in Norwegian. They were told to sign this in order that transportation to New York might be arranged.

The group left Montreal on the same date and in New York were brought to the premises of Scandinavian Shipping Company. Prior to leaving Montreal they were told that they could not bring any funds across the border with them but that they would receive advances against pay from time to time.

At the Scandinavian Shipping Company they were asked to sign on as messboys. All the group at first refused as the pay offered was very much less than they had expected when they applied for work as deckhands. They were also advised that no war risk bonus was paid on these Scandinavian ships. When they refused to sign as messboys they were told they should think it over as otherwise they would have to go to Riker's Island until arrangements could be made for their deportation.

In the meantime they were taken to a hotel in Brooklyn but were not allowed what is known as "stand by money." However, they were each given \$1 to carry them over New Year's day. On or about January 3, they were each given five cents to pay subway fare back to New York and returned to the office of Scandinavian Shipping there. Three of the men eventually agreed to sign on as messboys and were sent to Boston and sailed on a ship called the *Martin Bakke*. I understand that some of the others also signed on as messboys and were sent to other ships. The *Martin Bakke* went to Newport in Monmouth, Wales, and eventually returned to Hoboken, N.J., on or about February 13. The men who had come from Montreal were paid off there and had to pay their own way back to Montreal.

One of the men from whom I received particulars said that he drew £7.0.0 in England and received \$127.81 in New York. He said that on previous trips on Canadian vessels, even on inland waters and around the coasts, he had received \$102 monthly with cost-of-living bonus of \$14.50. He also said that while at port in England no extra pay was allowed for looking after the numerous visitors who came on board.

On his return to Montreal he met one of the men who had gone to New York with him. This man had refused to sign as a messboy and had spent twelve days on Riker's Island before being returned to Montreal. He said that

when he left Riker's Island other members of the party were still in confinement there and he knew one man of a previous party shipped from Montreal who was still awaiting deportation after six months' detention.

The seamen who returned on the *Martin Bakke* went again to the office of National Seamen's Association of Canada on getting back to Montreal to complain of their treatment. There they met a Mr. Gibson, who appeared to be in charge of the office and who refused to listen to their complaints and would not even look at their pay books.

I find that there is no registration of National Seamen's Association of Canada at the Court House or at the Registry Office in Montreal, either as a corporation, a partnership or an individual carrying on business. The name appears, however, in the city directory and in the telephone book at Room 33, 484 McGill Street, and James Gibson is listed as Chairman. Mr. Gibson appears in the city directory as residing at Apartment 11, 1085 University street, but does not appear to have a telephone there.

I telephoned to the local office of the Canadian Seamen's Union to inquire about National Seamen's Association. I was told that it was not a union but merely an employment agency. I was also informed that the Canadian Seamen's union knew of other complaints that had been made about this organization. They mentioned a Mr. McMaster as being the head of it. My informants had heard of a Mr. McMaster and spoke of him as being the shipping master—whatever that may mean. I find listed in the city directory a Mr. H. N. McMaster as being a governor of the Canadian Brotherhood of Ships' Employees. His address is given as 4107 Hampton avenue. He does not appear in the telephone book and Canadian Brotherhood of Ships' Employees does not appear either in the phone book or in the city directory. The Canadian Brotherhood of Marine Engineers does appear in the directory at Room 34, 484 McGill street.

From the foregoing it seems clear that some agency has been signing on Canadian seamen under false representations in Montreal to proceed through American ports. When they arrive at these American ports and refuse to accept work at a lower salary or in a more poorly paid classification than they had expected they are not allowed to return to Montreal but are threatened with internment at Riker's Island unless and until they will accept the terms offered. You will note that the threat is not an empty one but is actually in some cases at least put into effect. Apart from the gross injustices done to the individual, we have to consider the serious detrimental effect upon the war effort. Apparently, competent seamen are held in confinement when they might very well be at work. I have no idea what connection there may be between the National Seamen's Association of Canada and the authorities, but obviously arrangements could not be made for sending large bodies of men out of the country for employment on vessels sailing from American ports unless the organization making the arrangements was in close touch with the authorities. I am inclined to think that anything that can be done to put this National Seamen's Association out of business would be in the interests of the Dominion and would promote the war effort of the country.

Yours very truly,

(Signed) JOHN KERRY.

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Hearing adjourned until Thursday, June 3, 1943, at 10.30 a.m.









